

**TOWN OF ROCKY HILL
TOWN COUNCIL
BUDGET WORKSHOP OF APRIL 30, 2014**

I. CALL TO ORDER

Mayor Henry Vasel called the April 30, 2014 Budget Workshop to order at 6:00 p.m. in the Council Chambers of the Rocky Hill Town Hall, 761 Old Main Street, Rocky Hill, CT.

Those in attendance: Deputy Mayor Nadine Bell, Councilor Meg Casasanta, Councilor Guy Drapeau, Councilor Joe Kochanek, Councilor Bill MacDonald, Councilor Frank Szeps and Councilor Cathy Vargas. Also present were Town Manager Barbara Gilbert and Finance Director John Mehr.

Those absent: Councilor Tim Moriarty.

II. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

III. MOMENT OF SILENCE

Mayor Vasel asked for a Moment of Silence to be observed for Walt Avery, Griswold Middle School English teacher, who passed away and also for the family of Maren Sanchez.

IV. PUBLIC COMMENT

Mayor Vasel asked if anyone from the public wished to speak. No one from the public wished to.

V. EXECUTIVE SESSION

A. Pending Claims and Litigation re: 60 West Street with the Town Manager and Town Attorney

Town Manager Gilbert said Town Attorney Morris Borea was enroute because she had spoken to him at 4:20 p.m. so she knew he was on his way. Town Manager Gilbert told the Town Council that she didn't know what they wanted to do. Mayor Vasel asked the Town Council if they wanted to take a recess for five minutes. At this point, Town Attorney Borea entered the Council Chambers.

Councilor Vargas made a motion to go into Executive Session at 6:02 p.m. The motion was seconded by Deputy Mayor Bell and adopted unanimously by those present. Councilor Moriarty was absent.

Deputy Mayor Bell made a motion to come out of Executive Session at 6:32 p.m. The motion was seconded by Councilor Vargas and adopted unanimously by those present. Councilor Moriarty was absent.

VI. BUDGET REVIEW

A. POLICE

Mayor Vassel referred to Pages 42 and 43 (Supervision – Code #01202101) of the 2014-2015 Proposed Annual Budget Book. He asked the Councilors if any of them had any questions for Chief Mike Custer. No Councilors had any questions. Mayor Vassel asked if there was a motion to move this page.

Deputy Mayor Bell made a motion to move page 42 (Police Supervision) of the budget book. The motion was seconded by Councilor Vargas and adopted unanimously by those present. Councilor Moriarty was absent.

Mayor Vassel referred to Pages 44 and 45 (Records & Communications – Code #01202102) of the 2014-2015 Proposed Annual Budget Book. He asked the Councilors if they had any questions for Chief Custer. Councilor Vargas asked if all seven positions for the dispatchers are filled currently. Chief Custer said they are. Councilor Vargas referred to the part time public safety dispatcher and she asked if this is for one or two people. Chief Custer said this is for one person who primarily works on Saturday evenings.

Councilor Vargas said a prior Town Council had spoken at one point about regional dispatch and she was wondering what the status of this was. Chief Custer said this has been stalled and he said he would let Town Manager Gilbert talk about it. Town Manager Gilbert said they have a grant from the State of Connecticut in the amount of \$100,000 to do the plan for this with regards to how this will be implemented. A feasibility study has been done for this. The five Towns went out to bid for this and one bid was received in the amount of \$100,000. The State wants a minimum of three bids so they are trying to put this together so that they can go out to bid again. The State has granted them an extension of this grant.

Councilor Vargas referred to Radio Equipment (#01202102 5742) and she mentioned there are fourteen of the Panasonic Toughpad MDTs listed. She said this is a new item for \$53,000. Chief Custer said that is correct. Councilor Vargas told Chief Custer when he had given his presentation to the Town Council that there were thirty-four Police vehicles listed on the paperwork that he had given to them that evening. Chief Custer said that sounded right. Councilor Vargas asked if the fourteen Panasonic Toughpad MDT replacements are for the vehicles or she asked where these are for. Chief Custer said these will be for their first line marked units and these are the vehicles that are out on patrol. Councilor Vargas asked if these vehicles currently have these Panasonic Toughpad MDTs in them. Chief Custer said they don't and they have laptops that are basically nine years old. The life expectancy for those is usually not beyond five years so these have to be replaced. The newer version of these is being requested. He said in addition to this that the older Toughpad MDTs run the Windows XP and they don't even accommodate the new Windows 7. All of the RHPD software is run off of

Windows 7. Councilor Vargas asked what is going to be done with the old Panasonic Toughpad MDTs and she asked Chief Custer if they are just going to get rid of them. Chief Custer said yes because those are obsolete. Councilor Vargas asked if all of the thirty-four Police vehicles have some type of a computer device in them. Chief Custer said no and he said that just the line vehicles have these. The detective vehicles and the administrative ones don't have these.

Councilor Vargas said the RHPD is requesting three replacement mobile radios, six replacement portable radios, ten replacement portable batteries and she asked Chief Custer what vehicles this equipment is being replaced in or how this will work. Chief Custer said that equipment will be for all of the front line vehicles. He said this has to do with the age of the equipment and he explained some more.

Mayor Vassel confirmed that the replacement Panasonic Toughpad MDTs are for the line vehicles and that there are fourteen of these. Chief Custer said that is correct. Mayor Vassel asked Chief Custer if he could help him to understand this because he thought there are three Police Officers on patrol and one Supervisor on duty at a time. Chief Custer said the Police vehicles are rotated so that they last longer and this is why they get eight years plus out of them. Wethersfield Police Department runs their vehicles non-stop, twenty-four hours per day, seven days per week and they only get three years out of them.

Councilor Szeps asked when a new Police cruiser is purchased (and he told Chief Custer that he is referring to these as being first line units), if these come equipped with a Panasonic Toughpad MDT. Chief Custer said they do. Councilor Szeps asked how long they have been buying these Toughpads and he asked how many of these they have in service now. Chief Custer said they have two right now. Councilor Szeps asked if the RHPD was just getting laptops prior to that. Chief Custer said yes and he said they had Data 911 laptops. Councilor Szeps asked if all of the laptops are nine years old. Chief Custer said these are staggered. Councilor Szeps said every time that a new unit is purchased that a new laptop is being purchased. Chief Custer said that is correct but all of these are beyond the five year life expectancy. The RHPD is trying to phase in a plan to start replacing these.

Deputy Mayor Bell referred to cell phones and she told Chief Custer that she knows this seems like a seemingly small line item. Deputy Mayor Bell said across the Town that they have \$244,000 in the budget for these. She asked Chief Custer if he could comment on the need for these cell phones if they have radios and computers in their vehicles. Chief Custer said they use the cell phones quite a bit. This is their primary source of communication with their Supervisors and with their Command Staff. There are many times that they would rather be on a telephone instead of on the radio from a tactical point of view. These are used on duty quite a bit and these also ensure that they are able to get a hold of the Command Staff and vice versa twenty-four hours per day, seven days per week. He said when the Police Officers accept their cell phones that they understand that twenty-four hours per day and seven days per week responsibility comes along with these. Deputy Mayor Bell said thank you.

Mayor Vassel asked if any other Councilors had any questions for Chief Custer.

Councilor Drapeau made a motion to cut \$6,675 from line 5326 in order to have it placed in the IT Budget. The motion was seconded by Deputy Mayor Bell.

Before this motion was voted on, Councilor Szeps asked where this would be moved to. Town Manager Gilbert said it would be moved to IT. Councilor Drapeau said the funding would be moved to IT. Mayor Vassel asked about when they outfit a new Police cruiser. Councilor Drapeau said he was talking about in shop computers. Mayor Vassel said when a computer repair is needed then this will go to IT so that IT can fix it, etc. Councilor Drapeau said this is the plan. Councilor Szeps asked why they wouldn't want to include the Toughpads in this. Councilor Drapeau told Councilor Szeps that was a good question. Councilor Drapeau asked Chief Custer when the new Toughpads are bought if the IT component requires service or any kind of activity from the current IT Staff. Chief Custer said that he wasn't aware of any of this that is being done on the laptops. Councilor Drapeau said the laptops will be going away and he was talking about just the Toughpads. Chief Custer said it is his understanding that the Toughpads get sent out and he asked Sergeant Joe Phelps to come forward at this time to answer this. Mayor Vassel asked where these would get sent out and Chief Custer said that these would be sent to a manufacturer because he didn't believe that these are being repaired in-house. Sergeant Phelps said the Toughpads are utilized through regional CRCOG (Capital Region Council of Governments) and the only thing that IT has to do with this is to make sure that the connectivity from the Hartford switch to Rocky Hill is set up. Councilor Drapeau asked if the Toughpads don't have any e-mail access on them that is Town related or if they don't have any administrative features at all and he asked if these are strictly for regional Police activity. Sergeant Phelps said these have the ability to operate e-mail through the Town but this is all supposed to go through CRCOG. Councilor Drapeau asked if a fee is charged for this service. Chief Custer said yes and this is under Fees (#01202102 5326). They pay this fee every year in order to be part of the Capital Region network. Councilor Drapeau asked what they get out of the \$19,000 that they pay for this. Sergeant Phelps said this is for their connectivity to the COLLECT interface which is what they run the license plates with. Each of the Police vehicles that they have to have on the road has to have an air card in it. This is the service fee that they pay to the State. They wouldn't be able to run anything through their vehicles without this. Councilor Drapeau said he had needed clarification on this so that everyone would know.

Mayor Vassel said there are fourteen Toughpads, plus the two they already have, but there is air time for twenty vehicles. Sergeant Phelps said the amount they put in the budget will be for the ones that they need to upgrade in order for their programs to run. Some of the computers in their vehicles now are capable of operating so this is why they didn't ask for more. Town Manager Gilbert said COLLECT is how all of the criminal data is collected. They have to be careful when they are doing the Regional Dispatch Center about having sworn Police dispatchers doing that and this can't be outsourced to a fire department because COLLECT won't allow non-Police personnel to observe and look into this system. She explained more and said this is also why there is a fee associated with this.

Councilor Drapeau asked if the Toughpads will be transferrable from car to car. Mayor Vassel asked if they will be easily transferrable. Sergeant Phelps said it is their hope that they will be. This is very new technology. Councilor Drapeau asked if they would need twenty of these or if they would need five that they could transfer from vehicle to vehicle as one comes off its shift.

Sergeant Phelps said they will need one per vehicle and he explained why. They are going with tablets so that the Police Officers will be able to take them out of the vehicles in order to take statements, etc.

Councilor MacDonald said if this funding is being pulled out from the RHPD budget that he sees a total of \$55,380 for the entire Town for computers. He asked if there will be multiple motions because he is assuming that this will be applied everywhere. Councilor Drapeau said yes and he said that \$40,000 of this \$55,000+ is sitting in IT now. Councilor MacDonald said a generic motion could probably be made to have all items moved from “5746” in the respective departments

Councilor MacDonald made a friendly amendment to move all budget line 5326 items to the IT Budget. The friendly amended was accepted, voted on and adopted unanimously by those present. Councilor Moriarty was absent.

Before this amendment was voted on, Councilor Drapeau said he would accept this. Councilor MacDonald said this only was geography. Councilor Kochanek asked if they would lose track as to who the computers are for or how many there are if they move them into the IT account. Councilor Drapeau thinks this will be a question for their IT Director and he said they won’t lose track of this. Town Manager Gilbert asked Councilor Drapeau if this will get funneled through the IT Committee. Councilor Drapeau said they haven’t met yet but this will be their intention.

At this point, the motion with the amendment was voted on.

Mayor Vassel asked if there was a motion to move this page.

Councilor Drapeau made a motion to move page 44 (Police Records and Communications) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

Mayor Vassel referred to Pages 46 and 47 (Investigations – Code #01202103) of the 2014-2015 Proposed Annual Budget Book. Councilor Drapeau said there were two hundred criminal cases that were assigned in Fiscal Year 2012-2013 and four hundred and sixteen for Fiscal Year 2013-2014. They are forecasting four hundred and fifty for Fiscal Year 2014-2015. Chief Custer said yes and he asked Councilor Drapeau if he was wondering why. Chief Custer said they have a new Investigations Lieutenant, who was present this evening, and he is very assertive. This Investigations Lieutenant is expecting more out of the unit than what they have historically had. He is assigning more cases to his personnel.

Mayor Vassel asked if there were any other Councilors who had questions for Chief Custer. Councilor Kochanek asked if there is a difference of two hundred plus criminal cases from the year before and then he asked where those fell in before they were given to the Detective Bureau. Chief Custer said this was in patrol. Councilor Kochanek confirmed that patrol used to do these. Chief Custer said the Patrol Officers had carried these cases through to the end. The Detectives are now taking more of these cases on to handle because of the training and expertise they have received during the last two years under the new commander in order to take some of the strain

off of patrol. Councilor Kochanek asked if Detectives get overtime and if that would be in this page of the budget. Chief Custer said they do but this would be included with patrol.

Mayor Vasel referred to Training (#01202103 5334) and he said there is \$600 for schools and seminars. He asked what this would cover. Chief Custer said this is the training account that they use for the Detectives. He gave more details about this.

Councilor Drapeau asked Finance Director Mehr if there was any way to move the overtime for the Detectives into this department and he told him that he knows he already had asked him this. Finance Director Mehr said yes. Councilor Drapeau asked if they could just ask Finance Director Mehr to do this or if they needed a motion for this. Councilor Drapeau mentioned the Finance Committee and then Mayor Vasel said this could be brought forward to the Town Council.

Mayor Vasel asked the Councilors if they had any more questions on this page. Councilor Kochanek asked Chief Custer if he knew that there is \$500,000 of overtime in the Police budget and he said this is a lot of money. Chief Custer said not all of that is for the Detectives or for patrol. This also includes their Communication Center and dispatch. He said they have talked about the causal factors and they try to manage this. He thinks this amount is reasonable compared to what he has seen in some other agencies. Councilor Kochanek said he knew. Chief Custer said they are looking at the Staffing because they are trying to get this amount down. Councilor Kochanek said he is a little amazed by this number but he isn't criticizing it. He then mentioned that on another page of the budget that they went to \$248,000 for private duty and he said that they probably get reimbursed for that. He said that this impacts the mill rate though. Town Manager Gilbert said this is carried as a revenue so it doesn't do that. She explained more and she said they actually make a little bit on private duty probably. Councilor Drapeau asked Mayor Vasel if the question could be moved because it had been answered. Councilor Kochanek said he wasn't ready yet. He said the page looks like it is kind of high but now he was told that the revenue comes on the bottom line.

Councilor Vargas made a motion to move page 46 (Police Investigations) of the budget book. The motion was seconded by Councilor Casasanta and adopted unanimously by those present. Councilor Moriarty was absent.

Mayor Vasel referred to Pages 48 and 49 (Uniform Patrol – Code #01202104) of the 2014-2015 Proposed Annual Budget Book. He asked the Councilors if there were any questions for Chief Custer. Councilor MacDonald told Chief Custer that he noticed he is adding two SROs (School Resource Officers) and he asked him if he could walk him through what his thought process was for adding two of them versus four of them. Councilor MacDonald said when he reads the (SecureWatch 24) SW24 report that it clearly shows that they should have one SRO in each of the schools. He knows that the Board of Education has pushed this report and the recommendations over to the Town Council. He told Chief Custer that he is trying to reconcile what the experts they hired said to put in the schools versus what he is asking for. Chief Custer said he was trying to be fiscally responsible when he had put the budget together. He figures if they can get two SROs then it will be better than what they have now. He agrees with the report findings and he would like to see one SRO in each school. They had tried this one or two years

ago but they weren't successful so he thought in bringing this back a second time that they would have a better chance if they ask for two. He would certainly love to have four though. Councilor MacDonald asked how the two SROs would be allocated. He asked Chief Custer if the role of the Youth Officer would be played more in conjunction with these. Councilor MacDonald asked Chief Custer what his thought plan was. Chief Custer said one of the SROs would be dedicated full time to Rocky Hill High School and the other SRO would split his or her time between the other three schools. This would be supplemented and augmented with an increased presence by the Youth Officer. He thinks this will be a fair situation with the limited resources even though it isn't an ideal one. Councilor MacDonald said thank you.

Mayor Vasel asked Chief Custer if he could tell him what his feeling is on his comfort level with two SROs versus four and he asked him if he feels this will work. Chief Custer said he feels this will work but he doesn't think it is the most ideal situation. He would like to see one in each school but he also understands that constraints are before the Town Council. He is trying to be responsible and he said that they will make two work. This will be better than what they have now even though it isn't the best situation. Mayor Vasel said they all watch the news and there is no perfect situation. It is really subjective as to what may or may not happen. He said the perfect situation in his opinion would be one Police Officer with each student but that obviously isn't feasible.

Councilor Casasanta thanked Chief Custer for coming this evening and he told her that she is welcome. Councilor Casasanta confirmed that there are two Youth Officers in place currently. Chief Custer said there is one. Councilor Casasanta asked if the difference could be explained between the role of a Youth Officer versus the role of a SRO. She asked what the similarities and the differences are. Chief Custer said the Youth Officer is a Detective. The Youth Officer handles the cases that involve serious juvenile offenses. His job description has tried to be supplemented with appearances in the schools and he coordinates the Life Skills Program. He is getting pulled in two directions and this is a lot for one person to handle. The SROs will be able to take some of the criminal cases from the schools. There is also the additional component of the mentoring and the resource of the Officer presence, which is a security factor, that is on top of that. Chief Custer told Councilor Casasanta that they are talking about "two different animals". Councilor Casasanta said thank you.

Deputy Mayor Bell asked if she could jump to Page 50 (Special Services – Code #01202105) and Full Time Salaries (#01202105 5111) for the sake of clarity. She said 1.5 Youth Officers are listed in the budget. Chief Custer said they have one full time Youth Officer and there is also a Detective who spends some of his time on youth cases. That Detective also shows up in two places in the budget. Chief Custer said he isn't sure why this is done this way but it has always been the case.

Councilor Kochanek said he would like to finish his question before he gets interrupted. He asked if it is correct that the purpose of a SRO is for there to be some sort of Police presence in the school. Chief Custer said yes. Councilor Kochanek asked what the difference is between a Police Officer who is working today and a Police Officer who retires tomorrow and who starts working as a SRO the next day, as a seasonal part time employee with no benefits and with the same coverage. Chief Custer asked Councilor Kochanek if he meant that this employee would

just work during the school year and he said yes. Chief Custer mentioned as long as this person passes a background test. Councilor Kochanek said this would be someone who is a Police Officer today, retires tomorrow and starts working in the schools. Chief Custer asked if this person would be a certified Officer and Councilor Kochanek said he would hope he would be one when he was working full time. Chief Custer asked if the certification would be maintained and Councilor Kochanek said if they wanted it to be. Chief Custer said there probably wouldn't be much of a difference. Councilor Kochanek said the difference would be that this would be seasonal with no benefits and no overtime. He said they might get their four SROs this way then if that is what they want. Chief Custer said he isn't sure if there are people out there who are interested in those positions but he would be open to looking at this. Councilor Kochanek told Chief Custer that it would be fine if he wanted to send these people to training. Chief Custer asked Councilor Kochanek if these people would be under the Board of Education or under the Police Department. Councilor Kochanek told Chief Custer that they could be wherever he wants them to be.

Mayor Vasel asked the Councilors if they had any other questions. Deputy Mayor Bell said she wanted to follow up and she asked Town Manager Gilbert, as well as Finance Director Mehr, what the cost for this might look like but she told them that they probably didn't have this information right now. Town Manager Gilbert said they could figure this out. Finance Director Mehr asked Deputy Mayor Bell if she was talking about Councilor Kochanek's part time employees for nineteen hours per week and he asked if this would be a union position. Councilor Kochanek said this has to be cheaper than what they are looking at now. Town Manager Gilbert said this would end up being more than nineteen hours per week if they did the entire school day. Councilor Kochanek said they could use two of them and have someone there at night too. He mentioned the amount of \$25 per hour with no benefits. Town Manager Gilbert thinks this is similar to what the Town of Glastonbury had last year. She said they can contact them to get an idea of their cost and downsize this to meet the Town of Rocky Hill. Mayor Vasel thanked Town Manager Gilbert.

Mayor Vasel asked if there were any other Councilors who had questions for Chief Custer. There were none.

Deputy Mayor Bell made a motion to move page 48 (Police Uniform Patrol) of the budget book. The motion was seconded by Councilor Vargas and adopted unanimously by those present. Councilor Moriarty was absent.

At this point, Chief Custer said that Lieutenant Rob Catania has worked extensively with the SRO Program and he thought he wanted to comment on it. Mayor Vasel asked the Councilors if they were okay with this and they said sure. Lieutenant Catania said one of the problems they had looking into this is the maintaining of the certification as a Police Officer. These people would have to exclusively answer to the RHPD and the Board of Education would have to be in agreement of this. They have found that this is far less effective in the Towns that do this compared to what is being proposed here. The RHPD would have supervisory control over the vested interest of a sworn Police Officer from Rocky Hill working in the schools. The RHPD will also work with the Board of Education with regards to what the day is going to be made up

of and the RHPD maintains the extensive training. He thinks they would be setting themselves up for a little bit of a Chain of Command issue.

Mayor Vasel asked the Councilors if they had any questions for Lieutenant Catania. Councilor MacDonald said he is inclined to go with four SROs. Part of his thinking is that this is not only what the Board of Education has asked for but it is also what the outside consultant has asked for. He thought they all would agree that four SROs would be safer for their children instead of two. He told the RHPD that maybe they could come back to the Town Council's next meeting to explain what impact there would be to the overtime. He explained that these people would be done in June and there would be overtime in the summer that would be offset because they would be paying these people anyways if they are full time. Chief Custer said that is correct. Councilor MacDonald said it would be interesting to see what the marginal difference would be and he thinks this will be very positive for the Town. He asked if he could get this information back for their revisit night prior to having any motion made because he thinks this would be very helpful.

Lieutenant Catania said that they have an opportunity to do this the right way the first time. They have never envisioned this as a retirement job. This will be a very busy reporting district as part of the RHPD that serves a multipurpose. They are looking to having the SROs actively involved with the kids and they are looking to being liaisons with the Board of Education. They are looking for having safer schools. They are looking for the brightest and the best to put into the schools so that they aren't having a discussion one year from now that they were set up for failure. He told Councilor Kochanek that he knew where he was coming from with the situation. Lieutenant Catania said he has a family member who supervises the Glastonbury program and he has another brother who is in one of the schools. This is something that they have a great deal of knowledge and input on. He thinks the best way for them to go about this is for them to have a professional Police Officer in the school and someone who is an active duty Officer, who will have access to constant training for an active shooter situation and who also will have the access to interact with the Officers on the street to supplement this. Mayor Vasel said thank you.

Councilor Kochanek asked Lieutenant Catania how this is working in Glastonbury. Lieutenant Catania said that Glastonbury has a very large Youth Division. He explained more about this. They have at least two full time Police Officers in the high school there at all times. This supplements the security force, which he believes is eight to ten people, who are retired Police Officers. He said this is a pretty substantial force and the Glastonbury Police Department is a much bigger department than the RHPD.

Deputy Mayor Bell made a motion to move page 50 (Animal Control) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

Chief Custer was thanked.

B. FACILITIES

Mayor Vasel referred to Pages 98 and 99 (Town Building Operations – Code #01500501) of the 2014-2015 Proposed Annual Budget Book. Town Manager Gilbert asked for Jim Sollmi (Director of Public Works), Mike Mancini (Interim Director of Facilities) and Lisa Zerio (Director of Parks and Recreation & Custodial Staff) to come forward because all three of those budgets kind of overlap and roll into each other.

Finance Director Mehr said there had been two facilities' budgets in past years. One of these was related to the schools and one was related to the Town. A request came over from the Board of Education to have the custodial services and the building repair related expenses moved out of the school facilities budget back to the Board of Education. Three budgets were created this year. There are Town building repairs that Jim Sollmi will take care of. A school facilities budget has been prepared and Finance Director Mehr said this will be transferred back to the Board of Education if the Town Council so chooses. A new budget has also been created for the custodial services that are associated with the Town buildings. There are just two budgets in this current year that have expenses. These are for the Town buildings and for the school buildings. They will just have the Town custodial and the Town facilities budgets for next year if the school facilities budget goes back to the Board of Education.

Mayor Vasel said thank you. He asked if it would be possible for it to be identified as to who is in charge of what pages. Town Manager Gilbert said yes. She said if the Town Council desires to transfer the school facilities page to the Board of Education then a formal motion will have to be made to move those dollars over to the Board of Education. Mayor Vasel said thank you.

Town Manager Gilbert started off with Jim Sollmi because he does the Town buildings and Public Works. Town Manager Gilbert said that Jim Sollmi would be handling this page. Town Manager Gilbert introduced Jim Sollmi, Mike Mancini and Lisa Zerio to the Town Council.

Mayor Vasel asked the Councilors if they had any questions on this page. Councilor Casasanta referred to Telephone (#01500501 5507). She asked if it could be explained to her as to what the \$98,600 encompasses. The description states both cellular and landline. Finance Director Mehr said this is for all of the hard line phone lines that go into the Town buildings, as well as into the RHPD. This is generally through AT & T. There are also a number of cell phones that are used by the Town Staff. Councilor Casasanta said this just seems like an excessive amount for phone service. Finance Director Mehr said the bulk of this relates to the hard lines. Councilor Casasanta said she understands and she said there are multiple lines for phones into the schools, etc.

Mayor Vasel asked how much of this money is for cell phones. He also asked how many cell phones there are and who has them. Finance Director Mehr believes there are forty-five to forty-seven cell phones and he thinks these make up one-quarter to one-third of the expenses. Mayor Vasel asked if these cell phones are in a pool somewhere and who decides how they get distributed. Finance Director Mehr said this is a departmental decision and most of these are for people who are out in the field. Most of the Department Heads have cell phones. Town Manager Gilbert said these all used to be handled by the Facilities Director basically. They found out when the RHPD wanted to start using the Toughpads, etc. two years ago and when they wanted to upgrade some of their cell phones that a great deal of savings was able to be

accomplished by them looking at all of the landlines, etc. She said that Officer Drew O'Connor and Sergeant Phelps, as well as Lieutenant Brian Klett, had spent a lot of time in looking at phone lines and what wasn't being used to reduce these down in order to achieve a savings. Town Manager Gilbert said she asked Sergeant Phelps to take the handling of all cell phones over with the departure of the Facilities Director one year ago, as well as with the departure of one of the IT people. Town Manager Gilbert said any requests or repairs, etc. must go through Sergeant Phelps and then they go to her for approval. Town Manager Gilbert said she has asked Sergeant Phelps to look at ways to have the number of cell phones reduced. Sergeant Phelps went around recently and picked up three cell phones for people he felt didn't need them at their desks. These were being used as walkie talkies. A lot of secretaries had these because they had been using a service where there was a walkie talkie component. Sergeant Phelps is still looking at a way to reduce the number of cell phones down internally. Mayor Vasel asked if the RHPD is in charge of the Town's cell phones. Town Manager Gilbert said Sergeant Phelps is acting right now in handling the RHPD as part of his duties for her to come up with a savings because he is very knowledgeable and successful. Town Manager Gilbert said they are shorthanded. Finance Director Mehr said Sergeant Phelps is the point person to Verizon. Mayor Vasel said he appreciates that someone is going around to decide that maybe they don't need so many phones but he asked who had initially decided that the secretaries needed walkie talkies. Town Manager Gilbert said her predecessor did. Finance Director Mehr thought that was more so that people in Town cars could be communicated with. Cell phones then came along to replace those.

Councilor Szeps referred to Light & Power (#01500501 5505) and he said this is increasing by \$605,000. Finance Director Mehr said this is for the utilities (heat, water and electricity). This will stay with the Town for one more year. This will be taken care of out of the Town's facilities budget. The utilities will follow going back to the Board of Education next year if the school facilities go back to the Board of Education. The drastic increase relates to the schools. Town Manager Gilbert said this previously had been in the school facilities budget.

Councilor Vargas referred to Building Improvements (#01500501 5720). She said there was a request for \$7,500 and Town Manager Gilbert put \$75,000 in. Councilor Vargas said the actual for last year was only around \$8,000. Jim Sollmi said this item had previously been in the Capital Improvement budget. This was basically for various unforeseen projects for repairs throughout the buildings. They felt it was better off just to have this in their budget. He said this amount was much higher and it was up by an additional \$55,000. They felt that \$75,000 was a much better target with everything that is going on and with what is being anticipated. He gave an example of how the roof on the gazebo has basically disintegrated. This was totally unanticipated. He then referred to some of the upgrades they have been doing through the years for the LED lighting in order to save energy. Councilor Vargas asked if the actual amount from the prior year had been pulled in when this amount was pulled in from the Capital Improvements so that they will be comparing "apples to apples". She said again that there is only \$8,300 but they are projecting \$75,000. Finance Director Mehr said this will remain in the Capital Improvement line and this is where the current year amount was budgeted. Any unforeseen expenses would be charged to that line. He said this is just following the consistency of where it was budgeted last year and to record the expenses in that line.

Councilor Vargas asked what the Project Coordinator is that is listed in Part Time Salaries (#01500501 5120). Jim Sollmi said this is their Inspector. He said they had talked about the half person in Engineering and this is basically for the other half. This Inspector has been assisting them since they took over the Facilities Department last year and he has his eyes on all projects that are done in order to make sure they are done properly. He also has many other duties that he does. Councilor Vargas asked if this person really works full time and if he works half of the time somewhere else. Jim Sollmi said he works half time in the Engineering Department and half time in the Facilities Department but this isn't a full time person. This person works all year round but he isn't putting in thirty-five or forty hours per week and there are no benefits. Councilor Vargas said thank you.

Councilor Drapeau said there is a multi-trade Mechanic listed under Full Time Salaries (#01500501 5111). Jim Sollmi said this is their Electrician, who had previously been in the school budget, but he is properly being placed in the Facilities Department budget. Town Manager Gilbert explained more about this. The Board of Education does want the ability to be able to call the Electrician to use him and reimburse the Town for his time. Mayor Vassel referred to an agreement for this. Town Manager Gilbert said no agreement has been signed because the Town Council hasn't authorized any and the Board of Education hasn't approved any. Mayor Vassel asked about if this happens and Town Manager Gilbert said there is one that is supposed to occur.

Councilor Drapeau referred back to the telephone landlines and cellular phones. He asked who services these, maintains them, hooks them up and detaches them. Jim Sollmi said Bill Staron is the Technician who does this. Councilor Drapeau confirmed that this is outsourced and Jim Sollmi said it is. Councilor Drapeau asked if this fee is in here. Jim Sollmi said this is as needed. Councilor Drapeau asked if there isn't a service contract. Jim Sollmi didn't believe there is any service contract at all. Town Manager Gilbert said there has never been a need for one. Councilor Drapeau asked what happens if a phone breaks. Jim Sollmi said they call Bill Staron, who then comes in to replace it. Councilor Drapeau asked what the name of the company is again. Jim Sollmi said it is Staron Communications. Councilor Drapeau asked for the name of the phone system they are using. He was told what this is. He asked if they have any phones that are on standby in a room somewhere. He also asked if an audit has been done where phones are on but they aren't being used. Town Manager Gilbert said there is a phone in Mayor Vassel's office that fills up with voice mails because he isn't there during the day. Finance Director Mehr told Councilor Drapeau that nothing like that has been done recently. Councilor Drapeau said thank you.

Mayor Vassel referred to Fees (#01500501 5326) and he referred to the MDC fees for senior housing doubling from \$10,000 to \$20,000. Finance Director Mehr said the cost of water is going up with all of the service charges that are being put through and this amount will get it closer to what they believe the actual cost will be.

Mayor Vassel referred to Equipment Repair (#01500501 5431) and the parts, as well as service, for snow blowers. He asked if this could be explained to him. Jim Sollmi said a lot more comes under this (i.e. vacuum repairs, etc.). Mayor Vassel asked if there are snow blowers because he thought the Parks and Recreation Department fixes all of them from what he recalled from a

month ago. Lisa Zerio said they do but this money is for the supplies that are needed to fix the seven snow blowers. Jim Sollmi said this is for the parts. Mayor Vassel asked why the parts budget is in the Public Works' budget. Town Manager Gilbert said these snow blowers are handled by the custodians who clear the Town buildings and the school buildings. The Parks and Recreation Department does certain components of the grounds and the custodians do certain components within the realm of their contract. She explained more.

Mayor Vassel referred to Meeting Expense (#01500501 5500) and he said this is for the cost of meetings to discuss Town business. Jim Sollmi said this was in last year's budget and he didn't use it. Finance Director Mehr said this is more for the department going out with a vendor to discuss business and then the Town would cover the cost of that. Lisa Zerio said they also had OSHA training for the custodians and that was housed there (Council Chambers). Lunch was provided for them because it was all-day training. She thinks this also had been used for mileage reimbursement at one time for the Facilities Department because they didn't have a Town car. Mayor Vassel said he was trying to "make heads or tails" as to why they have so many accounts.

Mayor Vassel asked if any other Councilors had questions. Councilor MacDonald referred to the water, heat and light that the schools used to have for approximately \$800,000 and he said now they are putting this all under the Town for one year. He asked if this was under the direction of the Board of Education. He asked why they didn't make a clean cut now and put that over there. He has been finding that there have typically been some underages in these accounts throughout the year. He knows in the past that it appears that some of these accounts may be a little too high and then they end up getting some savings from them at the end of the year. Finance Director Mehr said they sometimes could be high on the heating side because there might have been a warmer winter than they had in past years, etc. He said this more or less was a discussion with the Board of Education Staff with regards to transitioning some of these costs over there. The electric bill is set up already on electronic payments and the Town thought they would handle this next year with the Board of Education transitioning in twenty plus custodians into their payroll system. This can then be transitioned over after the Board of Education gets all of their personnel items taken care of. Councilor MacDonald asked if the Board of Education is fine with this. Finance Director Mehr said he believes they are.

Councilor MacDonald referred to Full Time Salaries (#01500501 5111) and he referred to the Cook/Custodian. He asked what the breakout of this is. Lisa Zerio said this was in the budget for the seniors that she had gone over. She said he is probably Cook for 75% of the time and Custodian for 25% of the time. Councilor MacDonald asked if they have ever done an analysis and if it would be less expensive just to outsource the food process. Lisa Zerio said they actually had looked into that. She and the Senior Coordinator had gone to other Senior Centers a few years back. Lisa Zerio thinks they had this discussion at length at the last budget session last year with regards to the cost of a meal. The seniors like a home cooked meal and this is usually their main meal of the day. Part of the Cook/Custodian's duties are shopping, prepping and the cleanup. Lisa Zerio said this is for the Senior Center. Councilor MacDonald said when the cost per meal to the Town is looked at that it is quite high. He thinks there are multiple restaurants in Town they could actually outsource this to and he thinks this is something that they have to keep in mind.

Councilor MacDonald referred to the Project Coordinator and he asked if the Board of Education is planning on using this position. Jim Sollmi said they are planning on doing a transition so they are sharing positions as they are needed. He explained more and said this Project Coordinator has been working on all kinds of things in the school system and has become pretty familiar as to what is needed there (i.e. keys, doors, etc.). Councilor MacDonald asked if they are seeing this as more of a transitional year because he is assuming that the Board of Education will hire their own Facilities Director if they are taking all of this over. Jim Sollmi said he didn't know if this is true but he said the Town will definitely supply whatever personnel they can.

Councilor MacDonald referred to Service Contracts (#01500501 5406) and he said this amount went up. He asked what service contract they added for \$20,000. Jim Sollmi believes this is for the company that services their air conditioning because the HVAC Technician that the Town had has left. Councilor MacDonald said this makes sense.

Councilor MacDonald referred to Equipment Repair (#01500501 5431). There is \$4,700 worth of snow blower repairs but they have \$4,900 of new snow blowers in another account. He asked if their annual snow blower cost in this Town is \$10,000. Jim Sollmi said this is for service parts and equipment repairs for the snow blowers. There is also other equipment (i.e. vacuums). Councilor MacDonald referred to the amount for snow blowers being half of this amount. This would still be \$7,000 per year for snow blowers and he said that he would think that snow blowers would last more than one year. Lisa Zerio confirmed with Councilor MacDonald what account he was looking at. Councilor MacDonald said he was looking at Equipment Repair (#01500501 5431). He said when Code #01500503 is looked at that they have \$4,960 for new snow blowers. Lisa Zerio said right but she said this isn't all for snow blowers. This should state \$600 for one single stage snow blower and two vacuums for the Community Center and for the RHPD, etc. Councilor MacDonald thinks they need more detail in some of the descriptions for the future.

Councilor MacDonald referred to the telephones and he asked if there is any strategy to go to Voiceover IP versus the large expenses that they are having for the telephones. He said maybe this is something for the IT side. Jim Sollmi said he had thought a study was done to change these phones over but he thought it was too expensive. John Nowakowski (IT Department) was sitting in the audience and started talking but he didn't have a microphone. Councilor MacDonald said when they talk about IT that maybe they can see where they are on that. They have to use more Voiceover IP and get away from \$100,000 phone bills. He said they have to get rid of a lot of the multiple devices. Councilor Drapeau said he has concerns about unused landlines and long distance.

Councilor Drapeau said he wanted to expand on Councilor MacDonald's point about outsourcing food. Councilor Drapeau said this is worth a look at because some of these entities will come in and they will prepare meals that are "very robust" depending on the expense budget. Some of these will even bring equipment in if the contracts are lucrative enough. They will provide infrastructure enhancements so this will only help the seniors or whoever is coming in for the food in the long run. He thinks it would be worth it for them to take another look at this. Lisa Zerio said maybe this is something they can put on the agenda for one of the next Senior Affairs Committee meetings for them to talk about and they can research this. Councilor Drapeau said there are a couple of good ones in the State right now that are servicing many organizations.

Mayor Vasel asked if there were any other Councilors who had questions. There were none. He asked for a motion to move the page.

Deputy Mayor Bell made a motion to move page 98 (Facilities – Town Building Operations) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

Mayor Vasel referred to Pages 100 and 101 (School Buildings – Code #01500502) of the 2014-2015 Proposed Annual Budget Book. He referred to the fifth paragraph in the Budget Summary. He referred to Telephone (#01500502 5507) and he thought this was on the last page they had just discussed. Finance Director John Mehr said the schools have their own hard lines, as well as cell phones. Councilor Drapeau asked if anybody is managing those. Finance Director Mehr said this is the same as it has been in the past and he thinks this is something to look at in the future. Mayor Vasel said someone had said this was all in one. Town Manager Gilbert said she had said that and she thought this was all in one line with the utilities so she guesses she was wrong because she said it isn't. Mayor Vasel said that is no problem. He asked if they could clarify what the \$98,000 is for as opposed to this amount of \$116,200. Finance Director Mehr said these are similar. These are hard lines and cell phones that are used by the Town and it is the same for the schools. The \$116,200 also includes the broadband connections for all of the schools and he thinks that is for \$41,000. This is being transferred back over to the Board of Education. Mayor Vasel asked Finance Director Mehr if he had any idea as to how many cell phones there are in the \$116,200. Finance Director Mehr said cell phones don't make up that whole amount. He thinks the administrators and principals all have cell phones. He said this is maybe fifteen and there might be a couple of custodians who have them. They get E-rate reimbursement for the telephones so they get approximately 40% of the costs reimbursed.

Mayor Vasel referred to Uniforms & Cleaning (#01500502 5613) and he said there is \$11,500 for uniforms that are worn by custodians. Town Manager Gilbert said this is contractual. Mayor Vasel asked when they were saying contractual if this meant uniforms have to be provided to them or if they have to be given that much money. Lisa Zerio said it is in their contract that they get uniforms. Mayor Vasel asked if this is for every year or if they get 5 brand new t-shirts for the week. Lisa Zerio said this is for the year. The custodians get their shirts and pants, as well as their steel toe boots, once July 1st hits. She said this is also for their safety gear too. Mayor Vasel asked if the uniforms get turned in next year. Lisa Zerio said no and she said those gets worn out.

Mayor Vasel asked the Councilors if they had any other questions. Town Manager Gilbert said this page eventually will have to be moved to the Board of Education.

Councilor MacDonald referred to the amount of \$2,600,000 that will be moved over to the Board of Education. He asked if it is correct that this is made up of twenty-three full time salaries. Finance Director Mehr said this should be \$1,790,000 plus there are other expenses that they will have to transfer over. Councilor MacDonald said when he looks at the full time salaries with regards to what is going over to the Board of Education that in Fiscal Year 2013-2014, there were full time salaries of \$1,225,947 that were adopted. Finance Director Mehr said that had

been budgeted for last year. Councilor MacDonald asked if this wasn't increased by the wage increase for the custodians. Finance Director Mehr said yes but he said there were some reductions in other salaries. The painter is making less than the former HVAC person made. The Facilities Director amount was also decreased. Councilor MacDonald asked if those couple of changes offset the 3% of the twenty-one or twenty-two custodians. Finance Director Mehr said one of the custodians that was in the Board of Education's budget was transferred over to the Town's. This is the bulk of the reduction. Councilor MacDonald asked if he could get a copy of that reconciliation because he thinks this would be interesting. Finance Director Mehr said okay and he said this is sort of in their detail.

Mayor Vasel asked if there were any other Councilors who had questions. There were none.

Mayor Vasel referred to Overtime Town Events (#01500502 5132) and he mentioned the Saturday and Sunday Parks and Recreation basketball program. Lisa Zerio said this gets reimbursed. A check was written from the Parks and Recreation account a couple of weeks ago over to the Town to cover that. Mayor Vasel asked if that was for \$14,000. Lisa Zerio said this was budgeted last year and she thinks this ended up being \$12,700 or \$12,800. She said the Town gets reimbursed anytime that Parks and Recreation is in the schools when they normally would be closed.

Mayor Vasel referred to Fees (#01500502 5326) for school storage trailers and he asked if it could be explained as to what this is. Finance Director Mehr said there are three Eagle trailers in the back of Rocky Hill High School and they have been there for years. Mayor Vasel asked if these are forty foot ones or twenty foot ones. Finance Director Mehr said these are probably forty foot ones. Mayor Vasel asked if they have ever looked into purchasing them at \$1,800 apiece. Lisa Zerio said once the renovation is done there that these trailers will go away.

Mayor Vasel asked the Councilors if they had any other questions. Councilor Vargas asked Lisa Zerio if the Overtime Town Events is coming out of the Parks and Recreation account. Lisa Zerio said yes. This is for travel basketball, etc. so all of the fees are being taken in. Councilor Vargas asked Town Manager Gilbert if there is an offsetting revenue for this. Finance Director Mehr said yes. They make an adjustment and they transfer regular overtime into the Overtime Town Events. The revenue will probably be posted in the Parks' line on the revenue side. Councilor Vargas said thank you.

Deputy Mayor Bell asked if this is where they would make the appropriate motion. Town Manager Gilbert said she believed it was unless there were other funds to be added and if they wanted to wait until next Tuesday to do this but she said in her opinion that this would be the appropriate time. Finance Director Mehr said there is health insurance that is in another budget that would have to be transferred over there. He said the intention would be that the custodians would stay on the Town insurance for one more year because their contract is in place. The Board of Education would reimburse the Town for the cost of the health insurance. Money would also be transferred to cover the custodians' social security contribution. He thinks there is longevity pay that is in effect during this contract. Their contract runs until June 30, 2015. They will have a new contract negotiated with the Board of Education after that. He isn't sure if there is going to be any supplemental contract between the custodial union and the Board of Education

between now and the end of their current contract with the Town. Deputy Mayor Bell asked if they could have a motion prepared for their next meeting so that they can do this properly and not leave any parts out. This will then be pretty clear as to what they are doing exactly. Finance Director Mehr said yes and he said that he had the numbers right there.

Town Manager Gilbert said one union will now be morphing into two. The contract will remain in effect for the custodians that will remain behind that were part of the bargaining unit. They will be assigned another number and that contract will run for one more year. It will then be renegotiated. One will be between the Board of Education with the custodians and one will be between the Town and the custodians. There will be two separate bargaining units. Per the State, the terms of the contract will remain in effect and the union will petition the State for a different number. She explained more and said this has taken forever to get straightened out with the State.

Deputy Mayor Bell asked for clarity, if this motion could be made on the Board of Education's budget workshop night. Councilor Drapeau respectfully requested that they wait to have a vote on this until the IT Committee meets because he has concerns about the telephone allocations being in two places and being unmanaged. He said that they might want to discuss doing something about that. Finance Director Mehr said the phones are being managed and they review the bills. Councilor Drapeau apologized. Finance Director Mehr thinks that they should come together as a group to take a look at the phone systems that probably needed to be looked at for years. This is lower on the priority list right now. Councilor Drapeau said what he was trying to say is that if half of the funding for the phones moves to the Board of Education then the Town will no longer have control over what they do with this in the future after they have a discussion. Town Manager Gilbert asked when the IT Committee will be meeting. Councilor Szeps said it will be meeting on May 14, 2014. Mayor Vasel said that will be too late. Town Manager Gilbert said that will be after their revisit night and it is within five days of the adoption of the budget. Councilor Drapeau said they will try to get a meeting in before that one.

Councilor Vargas referred to Service Contracts and she asked what Environmental Services (ESC) is because they added almost \$45,000 for that. Finance Director Mehr said this is the HVAC company that was contracted out. Councilor Vargas asked if they didn't have anything before this. Town Manager Gilbert said they used to have an individual. Finance Director Mehr said that Town Manager Gilbert hired Environmental Services, under two separate contracts, to do the Town buildings and the school ones when that individual left. Town Manager Gilbert said the individual had quit and he didn't get laid off or fired so the contract has a little deviation in it that allows them to go to a private entity. There was a vacant position so it was time for them to outsource this rather than fill the position again. Councilor Vargas said thank you.

Mayor Vasel asked if any other Councilors had any questions. No Councilors did. He asked for a motion to move this page.

Deputy Mayor Bell made a motion to move page 100 (Facilities – School Buildings) of the budget book. The motion was seconded by Councilor Vargas and adopted unanimously by those present. Councilor Moriarty was absent.

Mayor Vasel referred to Pages 102 and 103 (Town Custodian Service – Code #01500503) of the 2014-2015 Proposed Annual Budget Book. He referred to Equipment Repairs (#01500503 5431) and he said there is another \$6,000 for broken equipment. Lisa Zerio said she had answered Councilor MacDonald's question before because he had been on her page so she said that it would be the same answer now. Councilor MacDonald had been referring to the Town custodial service and not to Jim Sollmi's page. Lisa Zerio asked Mayor Vasel if he wanted her to go over the list and he said no.

Mayor Vasel said there is a custodian listed that is for .4 (part time in the winter) and he thought he also saw this listed under the Parks and Recreation Department for .6. Lisa Zerio said this employee works .6 in the Parks and Recreation Department and .4 in custodial services. Mayor Vasel asked how this works. Lisa Zerio said this employee works in the Parks and Recreation Department from April 1st until the end of October and then he works in the custodial service from November 1st until the end of March. Mayor Vasel asked where this employee's custodial duties are. Lisa Zerio said these are at the Town Hall campus and these could be at the Cora J. Belden Library, the Human Services Department, as well as the Town Hall too. Mayor Vasel said thank you. Deputy Mayor Bell asked what is done the rest of the year for custodial services. Lisa Zerio said they have part time help. Mayor Vasel asked if the only full time person in the Town Hall is the .4 position. Lisa Zerio said they have 4.4 FTEs. There is a head custodian, a lead custodian and two other custodians who are in charge of the RHPD, the Human Services Department, the Cora J. Belden Library and the Town Hall/Community Center. Councilor Vargas referred to the head custodian and she said that something is stated about the firehouse. She said she had asked the RHFD about their custodian and they said that he reports to them. Lisa Zerio said the custodian for the RHFD is in their budget and the Town provides all of the supplies for all of the firehouses. One of the Town custodians will go over to clean the firehouses if this custodian is absent. Councilor Vargas said again that the firehouse is listed under the head custodian. Lisa Zerio said that is one of the head custodian's duties if the custodian for the RHFD is out. Councilor Vargas said again that the RHFD had stated that their custodian reports to them directly and Lisa Zerio said that is correct. Councilor Vargas said thank you.

Mayor Vasel asked if any other Councilors had any questions. No Councilors did. He asked for a motion to move this page.

Deputy Mayor Bell made a motion to move page 102 (Facilities – Town Custodians) of the budget book. The motion was seconded by Councilor Casasanta and adopted unanimously by those present. Councilor Moriarty was absent.

Lisa Zerio was thanked.

C. INFORMATION TECHNOLOGY'

Mayor Vasel referred to Pages 38 and 39 (Information Technology – Code #01101500) of the 2014-2015 Proposed Annual Budget Book. Town Manager Gilbert introduced John Nowakowski and she said that he is their IT Department. There is a vacancy now in that department and there is also a General Technician there. John Nowakowski is the Information

Technology Technical Systems and Network Technician. Town Manager Gilbert said John Nowakowski is the person who understands the backbone and he is the person who basically put this budget together for them. Town Manager Gilbert said that she and Finance Director Mehr had sat down with John Nowakowski and they gave him some instructions as to what they wanted to see happen, as well as what they wanted to see corrected. Town Manager Gilbert said this is what John Nowakowski had put together for them and he was present to answer any questions that they might have.

Mayor Vassel asked if any Councilors had any questions. Councilor Vargas referred to the Full Time Salaries (#01101500 5111) and the adopted budget was for \$199,483. The year-to-date actual is \$138,000 and \$225,000 is being projected. She said that this seems to be a big jump. Finance Director Mehr said he thinks that it was thought that the IT Director would be put in place before the end of the year but the IT Director won't be in place by then so this amount should probably be reduced. Councilor Vargas confirmed that this had nothing to do with Town Manager Gilbert's request and it is just that the projected amount isn't correct. Finance Director Mehr said yes. The requested amount includes the IT Director, as well as two other people.

Mayor Vassel asked if any other Councilors had any questions. Councilor Drapeau asked if there was one vacancy in the IT Department now. John Nowakowski said that is correct. Councilor Drapeau asked if there was an ad out for this and Town Manager Gilbert said no because the position is frozen. Councilor Drapeau asked if a job description/qualifications has been created or vetted for whoever the vacancy would be filled by. Town Manager Gilbert said this vacancy was for a General Technician. They currently don't have an IT Director. That decision hasn't been made by the Town Council so she said that they have not made any effort to prepare any advertisements or to fill this. It is still unknown as to whether an IT Director's position or a General Technician's position will be filled. This will be for a General Technician if someone in the IT Department was to move up and become the IT Director. There would be an advertisement for an IT Director if this was to be open to the public. She told Councilor Drapeau that guidance for this is going to come out of the IT Committee. Councilor Drapeau asked if they have job descriptions for the three FTEs who they are looking at. Town Manager Gilbert said they do. Councilor Drapeau asked if these can be sent to the Town Council and Town Manager Gilbert said yes. Councilor Drapeau said thank you. Deputy Mayor Bell asked if they have a job description for an IT Director right now. Town Manager Gilbert said she has one prepared that will have to be approved by the Town Council.

Councilor Drapeau referred to Help Desk Ticket Tracking Software and he said in his experience that it is extremely important that this is a viable, robust, frequently used and vetted system. John Nowakowski said absolutely. Councilor Drapeau asked John Nowakowski if he could expand on the one they currently have and if there are any future plans. John Nowakowski said one does not exist currently. Councilor Drapeau asked what the \$2,000 is for. John Nowakowski said this will be for new software and they are looking at several possibilities right now (i.e. web help desk, etc.). These all offer somewhat similar capabilities and he gave more details. Councilor Drapeau confirmed that the \$2,000 is for a piece of software that is currently being vetted to be implemented but this isn't implemented right now. John Nowakowski said that is correct.

Councilor Drapeau said there is \$21,000 for routers and switches. He asked how many switches and routers they are talking about, as well as what brand these are. John Nowakowski said they currently are buying Enterasys and they just merged with Extreme. There are twenty-two switches in place right now so this \$21,000 would upgrade those. It costs approximately \$4,000 to \$5,000 a switch. He spoke to Enterasys and it would cost \$90,000 to replace what they have. Councilor Drapeau asked John Nowakowski if he was saying that he needed to replace all twenty-two switches. John Nowakowski said he needs to replace about sixteen of them. Councilor Drapeau told John Nowakowski that only \$21,000 is being budgeted for and he had mentioned that these are \$5,000 each. John Nowakowski said this would assume that there is a lease on those. Councilor Drapeau asked if it would cost \$21,000 to lease these for the next twelve months. John Nowakowski said this would assume an approximate four to five year lease. Councilor Drapeau asked if this proposal has gone through the Government Operations Committee. John Nowakowski said it hasn't. He mentioned how Town Manager Gilbert had said that he was tasked with putting a budget together quickly. John Nowakowski said he believes that certain things should be leased, such as servers, storage and switches because they would have fixed costs, as well as this will keep them in new technology as it becomes available. Councilor Drapeau told John Nowakowski that he didn't disagree with anything that he was saying but he asked him if he has adequate resources to vet the contracts and he asked him if he has adequate knowledge to negotiate the right equipment for the Town. Councilor Drapeau confirmed with John Nowakowski that this is his plan for the \$21,000 and he said yes. Councilor Drapeau also said dollars are being added to the budget for the desktop computers.

Mayor Vassel asked if any other Councilors had questions. Councilor MacDonald asked John Nowakowski if Windows XP will be resolved in the current budget. John Nowakowski said this will be partially resolved in this budget with new desktop purchases. Certain items were held off on being purchased due to the IT Study. He explained that this unfortunately will be an OEM purchase and he isn't fond of those but they will need to do all of their desktops at once in order to jump on the Microsoft licensing for the enterprise bid. Councilor MacDonald asked at what time or at what point the Town will be fully compliant and off of Windows XP. John Nowakowski said this will be as soon as they are authorized to purchase in the next budget cycle. Councilor MacDonald asked if the budget for the desktop computers and the other software is \$40,000 for Fiscal Year 2014-2015. He asked if this is going to get them there. John Nowakowski said yes. He referred to Technology Software Licensing (#01101500 5343) and he said there is Microsoft Office for desktop computers and software insurance in the three year monthly payments. This is the enterprise agreement for Microsoft. Councilor MacDonald referred to the \$15,000 for the Website Content Management System. John Nowakowski said the IT Department currently handles the updating of the Town's website. This could use a redesign. He said this would allow for individual departments to be responsible for their own contract.

Councilor MacDonald said he guessed in general that they will be adding \$200,000 to IT. Things should have been done over the years but he said they weren't going to talk about why it wasn't. He feels a little uncomfortable about getting a laundry list of all of the things that they are trying to do when they have John Nowakowski, another person and an open spot. Councilor MacDonald told John Nowakowski that he really doesn't know if they have the capability of doing everything that he wants to do here given the current resources that they have. Councilor

MacDonald said he needs to be better versed on what the top priorities are that they have to do in the next budget cycle. He said that he would give the Website Content Management System because their website is bad compared to many other Towns. He questioned if it is more important for them to fix this versus them trying to get some of the critical items identified in the IT Study and he said no. He thinks the IT Committee definitely needs to meet before the end of the budget sessions. He also feels that this page will change dramatically.

Mayor Vasel asked if any other Councilors had questions. There were no other questions. He asked for a motion to move the page.

Deputy Mayor Bell made a motion to move page 38 (Information Technology) of the budget book. The motion was seconded by Councilor Casasanta and adopted unanimously by those present. Councilor Moriarty was absent.

John Nowakowski was thanked.

D. CIP

Mayor Vasel referred to Pages 120, 121, 122 and 122a-122be (Capital Improvements- Code #01950000 and Capital Improvement Program) of the 2014-2015 Proposed Annual Budget Book. He asked Finance Director Mehr if this is his and he said that it is, as well as other departments. Finance Director Mehr asked the Town Council if they wanted to start on School Improvements (#01950000 5720) first. He said that he had some handouts to pass out with regards to how they stand in the current year, as well as the bid results that came in yesterday that are associated with the modular classrooms that are needed in order for all-day kindergarten to be implemented on September 1, 2014. The bulk of the money for last year's school improvements was going towards putting sprinklers in at West Hill School. They had anticipated \$1,200,000 for that and then they would have \$173,000 to go towards restroom upgrades, etc. in order to get to the \$1,400,000 that they had budgeted for. They came in at \$1,000,032 when they got the bids back for the sprinklers and when they tallied all of the costs associated with that. They have also gone out to bid to install some air conditioners at Griswold Middle School. These will hopefully be put in in June 2014 when the classes get out so \$72,000 has been reserved for that project. These air conditioners are needed for a Special Needs student. Money also was appropriated for O & G Industries, Inc. and for Friar Associates to put bid documents and plans together for the upgrade of a couple of lavatories at Stevens School. This will be brought on Monday night to the Government Operations Committee so that they can get authorization to go out to bid so that they can find out what the costs will be for that. He then referred to the bids for the modular classrooms. Some of the contractors might have wanted some advance funding to place their order for the modular classrooms before the budget was adopted, as well as for July 1st when the budget goes into effect and funding is available. They currently are just under \$1,200,000 and this account has approximately \$220,000 remaining in it for the current year's school improvements.

Mayor Vasel referred to the air conditioning for the classrooms for Griswold Middle School. He believes that he had spoken to Jim Sollmi about this and they tentatively are around \$40,000. Jim Sollmi said this is correct and the server room also was added in so there will be four units

instead of three. Some additional piping is needed to put another unit in. He said this was an estimate. Mayor Vassel confirmed that this may cost \$72,000 but maybe not because the bids aren't in. Finance Director Mehr said this was just a placeholder and hopefully the amount will go down. Jim Sollmi said they had the roof tested and there is no asbestos. He believes that the Special Needs child will have to be followed around so these air conditioners are "portable" so that these can be moved to whatever classroom that child is assigned to. Mayor Vassel is assuming that the unit will be left in the server room. Jim Sollmi said yes. He thinks the cost that will be associated with the moving of the "portable" air conditioners will be in the Board of Education's budget for next year.

Mayor Vassel asked the Councilors if they had any other questions about that page. No Councilors did.

Finance Director Mehr said next year's requests came in at \$1,600,000+. He referred to how he had mentioned that they received bids yesterday for the modular classrooms. This will be for three to be leased and installed at West Hill School and for the current one at Rocky Hill High School to be moved to Stevens School. One bidder had come in five minutes before the deadline. The only option that this bidder is offering to the Town is for them to purchase these directly or for them to do a lease purchase over four years with them. He said the bidder has nothing available that they would provide to the Town with an operating lease. He gave more details about this. The problem with the lease purchase is that it will exceed their \$150,000 cap that is in the Town Charter and they would have to go to the voters for anything over this amount. The Town will have to put up an additional down payment of money in order to drive the lease amount below \$150,000 so that they can get this down to \$145,000 to be leased over a four year period. He told the Town Council that he tried to summarize the budgets that O & G Industries, Inc. had provided to them earlier. He went over this at this point with them. The Town paid Friar Associates in advance out of the nonrecurring account because they had been hired months ago to develop the plans. He told them when they take into effect the down payment and the cost to set up and if they estimate what the yearly lease would be then the West Hill School total will be approximately \$546,000 and they will probably have to pay \$36,000 in lease payments over the next three years. That cost would be added to the West Hill School total. It would cost the Town \$535,000 if they want to buy these directly and all of the other costs would be added in. The cost for next year for West Hill School would be \$633,000. The cost will be \$286,850 to move the modular classroom from Rocky Hill High School to Stevens School. The lease purchase in total for the life of these modular classrooms will cost the Town approximately \$941,964 and it will cost \$920,000 if they purchase these outright for Stevens School and West Hill School. He said if the Capital Improvement page for the Board of Education is looked at that \$45,000 was budgeted for lease payments and \$400,000 for the cost associated with modular classrooms. He is understanding that they are hoping to have these put in at a lower rate to cover the \$400,000 and then the \$45,000 will cover the lease payments for them at West Hill School. It will most likely be a \$833,000 lease purchase or \$920,000 to purchase the modular classrooms, as well as for moving the modular classroom from Rocky Hill High School to Stevens School.

Mayor Vassel referred to the amount of \$150,000 that had been spoken about with regards to the Town Charter and he asked if this would be per year. Town Manager Gilbert said no. She said

the total cost of the lease can't exceed \$150,000. This is why they didn't lease the Microwave System and this is why they aren't recommending a lease on the Police console, etc. This has been run by Bond Counsel every way that they could and they tried to ask about this every way that they could. They can't encumber anything over \$150,000 that is not budgeted for without them going to the voters of Rocky Hill. A multiple year lease is encumbering something to future Town Councils and she said they can't do this. The \$150,000 constraint, according to Bond Counsel Attorney Fasi, applies also to leases.

Mayor Vasel asked the Councilors if they had any questions for Finance Director Mehr. Councilor MacDonald referred to the discussions with O & G Industries, Inc. and he said that he was extremely disappointed that there was only one bidder on this (modular classrooms). The Town is paying a lot of money to O & G Industries, Inc. and he finds it hard in today's world and economy that there is only one bidder out there in the entire Country that will provide modular classrooms to them. He said that this just doesn't sit right. Finance Director Mehr said that O & G Industries, Inc. did have a walkthrough that was well attended by a number of vendors and he thinks that the timeframe to get this done could be the only thing scaring them away. Councilor MacDonald thinks that O & G Industries, Inc. owes them an explanation and he doesn't know whether this would be in front of the Government Operations Committee, etc. It would be interesting to hear from O & G Industries, Inc. what the discussions were from the time of the walkthrough to the bidding. He imagines that prior to the bid, O & G Industries, Inc. would have contacted everyone who had done the walkthrough to find out where they were on that. This is another item for him that gives him some uneasiness about O & G Industries, Inc. and their ability to do this job. Deputy Mayor Bell asked if O & G Industries, Inc. can be requested to be at the Government Operations Committee meeting on Monday. Finance Director Mehr said the contractor is going to be met with tomorrow morning for a scope review to be done. He believes that Friar Associates and O & G Industries, Inc. are planning on attending Monday evening's meeting as well. Town Manager Gilbert said that she and Finance Director Mehr had asked a very similar question and part of what was explained to her was the time constraints due to the fact that the budget doesn't go into effect until July 1, 2014 and they need the modular classrooms in place by September 2014. Vendors would have to start these now she said because there is so much business for modular classrooms for some reason. This is why the Town is recommending a \$75,000 refundable deposit if this doesn't get passed in the budget so that they can start sooner to have them done in time. The short time window is what scared many of the contractors away. She said that O & G Industries, Inc. will be at the Government Operations Committee meeting on Monday.

Mayor Vasel asked if any other Councilors had questions. Councilor Drapeau said he would defer to the Monday night meeting with O & G Industries, Inc. when they will hear from him.

Finance Director Mehr said the \$1,600,000 that is in the school improvement line is for the items that are listed in the Board of Education's Capital Improvement Program. He said besides the items that he had mentioned earlier that this also includes \$950,000 for the sprinklers and bathroom renovations at Stevens School. He thinks another large item relates to portable radios for \$90,000. There are also a few smaller items to get them up to the \$1,600,000+.

Councilor Drapeau told Finance Director Mehr that he understood that he also had a couple of lease budget items as well for \$36,000 and for \$45,000 per year, which he said he didn't see in

here. Finance Director Mehr said the \$36,000 was at the bottom of the page and this relates to the current three modular classrooms at Stevens School. The \$45,000 relates to next year's. The ones that currently are at Stevens School need to be renegotiated for next year to be extended for a number of years.

Councilor Vargas said the summary page states \$1,615,000 for the school improvements but in the back \$1,696,000 is listed in the detail. Councilor Drapeau said he was referring to that.

Mayor Vassel asked Town Manager Gilbert if he could get a legal opinion about the Town Charter referencing the lease as opposed to the lease to purchase. Mayor Vassel said they have a lease for the structures here and this would be just to see if there is a difference in their Town Charter. Town Manager Gilbert said she would ask again and she will ask Bond Counsel to put this in writing. Mayor Vassel asked Town Manager Gilbert if she had asked once already. Town Manager Gilbert said she asked three times in every way that she could think of. Mayor Vassel asked what happened. Town Manager Gilbert said Bond Counsel told her not to ask again but she said that she would ask for this in writing. She called the Bond Counsel because he continuously deals with Charters. She said that she will call Attorney Fasi tomorrow morning to get a written opinion.

Finance Director Mehr said they also had a bid opening today that relates more to a current item for \$350,000. This is related to school security items. The Town Council had appropriated money to apply some of the recommendations by SW24. The Superintendent was also able to get a grant from the State in addition to this and this is for approximately \$144,000. They have just under \$500,000 for security related items. O & G Industries, Inc. and Friar Associates had to be paid funds to design and prepare the documents to go out to bid so there is approximately \$400,000 left to apply towards the security items. The grant relates to intercom systems at West Hill School and at Stevens School, as well as a number of security cameras at West Hill School and maybe a few at the other schools. One bidder came in for this five minutes before the deadline and his total cost for the three schools was \$777,000. This is approximately \$300,000 for each Stevens School and West Hill School and \$170,000 at Griswold Middle School. He said they will be meeting with this bidder to see if they can get this broken out to bring it closer to the \$400,000 that they have appropriated. The intercom systems at Stevens School and at West Hill School, as well as some cameras at Griswold Middle School are the priority items. Councilor Drapeau said it might be a good idea if this could be put on the agenda for the next Government Operations Committee so that they can ask what is going on with this as well. Finance Director Mehr said they are getting a short notice in trying to put things together quickly to get some ideas. Councilor Vargas confirmed that there was one bidder on this too and Finance Director Mehr said yes. Jim Sollmi said at least twenty contractors had shown up for the walkthrough for that. Deputy Mayor Bell asked Jim Sollmi what his insight is as to why they got one bid. Jim Sollmi said he thinks that everyone is busy and they might have all of their work lined up. He said they were all surprised for both of these bids. He knows that O & G Industries, Inc. made phone calls to every single vendor with regards to the modular classrooms and they said that they couldn't meet the deadlines. He said there may be an issue with regards to availability for the security people to do the wiring. Deputy Mayor Bell asked if this isn't something that they should expect O & G Industries, Inc. to have "their finger on the pulse of". Jim Sollmi thinks the economy is changing so quickly and so much that it is getting better out

there and the contractors are becoming more independent. He said this is throughout the whole bidding scheme. Mayor Vassel asked if they could follow up on this with O & G Industries, Inc. He explained more and he said that typically calls are made to make sure that someone is bidding. He said this could be followed up through the Government Operations Committee or something.

Councilor Drapeau asked Jim Sollmi if there is a different Manager coming from O & G Industries, Inc. for each of the projects. Jim Sollmi said as far as he could see that this is the same team. Councilor Drapeau asked who the Project Manager is. Jim Sollmi said it is Ken Biega. Jim Sollmi said Lee Sullivan also follows up. Lee Sullivan had gone through the walkthrough and she made phone calls to all of the contractors. Town Manager Gilbert said Lee Sullivan's projects are the modular classrooms and the sprinklers. Ken Biega's project is the Rocky Hill High School renovation one. Councilor Drapeau asked if there was anyone else and Jim Sollmi said not that he knew of. Councilor Drapeau asked Town Manager Gilbert to have "all hands on deck" and not just Ken Biega and Lee Sullivan. Councilor Drapeau said he wants in the room whoever is involved from O & G Industries, Inc. Finance Director Mehr said they are starting to see some of the people who will be on the project sites now that the projects are starting. He said they have mainly been dealing with Ken Biega and Lee Sullivan at this level on the projects. Lorel Purcell (from O & G Industries, Inc.) has been handling the Rocky Hill High School project with the value engineering. Councilor Drapeau asked if anyone has interfaced with the owner of O & G Industries, Inc. Finance Director said no and he said that is a pretty big company.

Mayor Vassel asked the Councilors if they had any other questions. They had none. He asked Finance Director Mehr if he had something else. Finance Director Mehr said he had hit those two items because they had bid numbers and he wanted to make sure that people got an idea as to what the cost of the modular classrooms would be for all-day kindergarten. He told the Town Council that they were welcome to go through any other items now and the Town Staff could help too.

Councilor Drapeau referred to the Town Efficiency Study of the various Town Departments, operations, services and policies for \$70,000. He believes on July 1, 2014 that they will be getting a new Town Manager and he believes that that person's first and foremost priority will be to do this. Councilor Drapeau said that person will already be on payroll. He asked the other Councilors what their thoughts were on this. Town Manager Gilbert said this isn't in this year's budget and the Town Council had put this in last year. She said it wasn't expended. Finance Director Mehr said there was a typo and this had been used to pay for the IT Study, as well as for the Town Manager executive search company. Town Manager Gilbert said the Town Council had put this in last year. She said that she had looked at the wrong column where there was a zero for variance.

Councilor Drapeau made a motion to reduce the Efficiency Study (\$70,000) in the Capital Improvements Program. The motion was seconded by Councilor MacDonald and adopted by those present with Councilor Kochanek opposed. Councilor Moriarty was absent.

Councilor Drapeau asked if the RHFD was present this evening and if they could talk to them about the roof at Station #3. Mayor Vassel said this is under buildings. The Councilors asked Councilor Drapeau what number he was referring to. Councilor Drapeau said he was referring to \$35,000 for the roof replacement at Station # 3 but he said that he could do that after.

Mayor Vassel said the Town is budgeting \$50,000 for the updating of the Town's Plan of Conservation and Development and he asked if there is money for this from last year already. Finance Director Mehr said the money from this current year will be transferred to the nonrecurring account. Next year's money will be added to this so they will have \$100,000 for this. Town Manager Gilbert said this will give professional help to the Planning and Zoning Commission in reviewing the Plan of Conservation and Development. Finance Director Mehr said that he thinks the last one they did cost approximately \$100,000 to do. Town Manager Gilbert doesn't think that this is something that can be done independently by the Planning and Zoning Commission because they have a schedule that is busy enough and they need professional assistance. Mayor Vassel said he had done the last one for a year.

Mayor Vassel asked the Councilors if they had any questions as they were going down the list of Capital Improvements. Councilor Drapeau asked Jim Sollmi if he is in charge of the Town building improvements, which would include the roof replacement of the Highway Garage. Jim Sollmi said yes. Councilor Drapeau asked Jim Sollmi if he could talk about the roof replacement at the Highway Garage for \$25,000. Jim Sollmi said this had been in last year's budget and it wasn't done. He went out to get an estimate to have it included in this year's budget. The roof needs to be replaced because it is leaking. Councilor Drapeau asked if there is already \$25,000 and if they are going to add another \$25,000. Jim Sollmi said he thinks the \$25,000 had been taken and put into something else. Town Manager Gilbert said this money was taken and put into the schools. Mayor Vassel asked if a school roof was leaking. Town Manager Gilbert said no. Mayor Vassel asked what this money went into in the schools. Town Manager Gilbert said they had to come up with some money to do the school building repairs last year or the year before and she asked Finance Director Mehr if that is where they put this \$25,000. Finance Director Mehr said they had \$55,000 for various repairs to Town buildings. This probably included the putting of carpeting in the Cora J. Belden Library, as well as fixing a roof here and there. He thinks some of the Town buildings didn't get treated because the focus was on fixing a lot of the problems at the schools. They then came up with some other problems that needed to be addressed at the RHPD with some air conditioning situations, etc. The money was re-diverted from the roofs over to some other projects that took priority over the budget year. Town Manager Gilbert said they had swept a lot of their funds the year before and put them into one account when they had to come up with some money to make some needed repairs to one of the schools. Through a Resolution, the Town Council transferred this to nonrecurring for the schools. This has since been drained down on the schools.

Mayor Vassel asked if there were any other questions from the Town Council. Councilor Drapeau referred to \$66,000 for carpet for the Cora J. Belden Library and he thought that Finance Director Mehr had just alluded to the fact about some carpet replacement. Finance Director Mehr said he thought there had been a plan to do some carpet replacement but they didn't do any this year. Some had been done a couple of years ago he thought and he said that they need to do the other half. He thinks it is Jim Sollmi's intention to have this done this

coming year. Councilor Drapeau asked how old the current carpet is. Jim Sollmi said it is as old as the building as far as he knew. Finance Director Mehr said twenty years would be young. Councilor Drapeau asked if these are carpet tiles. Jim Sollmi said this is a carpet that is glued down and he believes there is asbestos in the adhesive. He explained some more and said this will be an expensive project.

Mayor Vasel asked the Councilors if they had anything else. Councilor Drapeau referred to the underground fuel tank removal at the Cora J. Belden Library. He asked if that has been tested for leakage. Mike Mancini said this is an old tank that is in there and they just registered everything with the State Department of Energy and Environmental Protection. A recommendation came from their consultant about how all of the tanks should be removed. This includes the ones at the Cora J. Belden Library, the RHPD and the schools. Councilor Drapeau said that wasn't his question. Mike Mancini said the tank hasn't been tested. Councilor Drapeau asked if it hasn't been tested for leakage. Mike Mancini said it is not being used any longer because everything has been converted over to gas. Councilor Drapeau asked if any oil is in it and Mike Mancini said he believes that there may be some. This would be a residual that was left over from probably the last fill. Mayor Vasel asked if the consultant in his report didn't say if the tanks were full or empty. Mike Mancini said he didn't get a report stating whether there was oil in the underground fuel tank at the Cora J. Belden Library or if there wasn't. Councilor Drapeau asked Mike Mancini if he was given a mandate by the federal government or by the State to remove these tanks. Mike Mancini said no. Finance Director Mehr said a number of the buildings used to be dual fuel. They had to buy oil but they heated with natural gas. He explained some more. This program has been abandoned because it is cheaper to go with the natural gas. He thinks there are other buildings that have these small tanks that need to be removed and he thinks they are trying to hit one every year. He thought this year that they fixed the one at Fire Station # 3 and they are planning on doing the one at the Cora J. Belden Library next year, as well as a couple of other buildings probably in the coming years. Councilor Drapeau said he would hold off on this for now. He asked the Councilors if they wanted him to keep on going. The Councilors said yes.

Councilor Drapeau referred to the \$200,000 for the road repairs, curbing, parking lots, catch basins, and cracked storm pipes. There is \$341,638 coming in from TAR. He recalls from the meeting with Glenn Parent (Highway Supt./Recycling Coordinator) that a large portion of that is used to fund the salt budget and he asked if that was correct. He was told that was correct. Councilor Drapeau said in one of Glenn Parent's budgets that there is \$100,000 sitting in it and he asked if that was correct. Finance Director Mehr said yes. Councilor Drapeau thought the Town Council did a calculation at their last meeting about how Glenn Parent needs approximately \$175,000 to cover his salt budget for Fiscal Year 2015-2016 but this is providing that they have a winter as bad or less than what they just had. Councilor Drapeau said his intention is to take the \$200,000 out of here completely and then add \$75,000 to Glenn Parent's budget so they will know exactly where his salt is going, as well as how much he has budgeted. The full \$341,638 will get used for road repairs and that money is not to be touched for salt in the future. He said it would be great if Town Manager Gilbert could help him with this motion. Finance Director Mehr asked if he could comment on this and Mayor Vasel said sure. Finance Director Mehr believed that they set the \$200,000 up at the request of Councilor Szeps and Councilor Vargas to have money available so that they can adequately maintain their roads so

that they won't have to do a road referendum down the road. This would be the seed money of the first year. Councilor Drapeau said this was what he was saying. Finance Director Mehr told Councilor Drapeau if he wants to deduct \$200,000 out of this budget and increase the salt line item in the Highway Department budget then he said that would be the Resolution. Councilor Drapeau said that \$341,638 from TAR is to fund the road repairs. Finance Director Mehr said the State gives them TAR money to spend within a twelve month period so they would have to leave that amount in and they will have to spend it. Councilor Drapeau said this is what he is planning on doing. Town Manager Gilbert said the definitive amount won't be known until after May 7th when the legislature adopts their budget. Councilor Drapeau asked if this number is an estimate and Town Manager Gilbert said it is based on the Governor's budget. Finance Director Mehr said the latest estimate came from the Appropriations Committee so this number is pretty much a 99% sure one. He said this is a good number going forward. He confirmed again with Councilor Drapeau what he wants to cut. Councilor Drapeau said this effectively would be his motion.

Councilor Drapeau made a motion to reduce \$200,000 out of (CIP – Road Improvements 5734) and add it to Highway Road Maintenance, in addition add \$75,000 to (Salt and Pretreatment 5625). The motion was seconded by Councilor MacDonald and adopted by those present. Councilor Moriarty was absent.

Before this motion was voted on, Councilor Szeps asked Jim Sollmi if they are going to be able to spend the \$341,638 in addition to the plan that he already created for the referendum money. Councilor Szeps said he is assuming that this is something they would go with the contractor with. Jim Sollmi said there are roads that the Highway Department is planning on paving, etc. and he told Councilor Szeps that he was right about how there are associated costs with that. Town Manager Gilbert said that Kevin Morton (Crew Leader of the Highway Department) was present this evening and he could explain what will be done with the money if that would work for them she said. Councilor Szeps asked Jim Sollmi if he had this in his plan already. Jim Sollmi said they got together in the winter to find out where the Highway Department would be going. Councilor Szeps asked if the \$341,638 is above and beyond the plan. Jim Sollmi said yes and he said that is the State's money. He said the only plan the Town had is for the \$200,000. He referred to the \$341,638. He is assuming if they have a crazy winter and they need more than \$175,000 for salt then they could use some of the \$341,638. Councilor Szeps told Jim Sollmi that he gave them a plan that shows the use of the referendum money and the roads that are being targeted for whatever procedure will be used on them (i.e. just capped and sealed or completely milled and re-graded). Councilor Szeps said that portion of the referendum money didn't include the \$341,638. Jim Sollmi said that is correct. Councilor Szeps told Jim Sollmi that he now has to plan this into that. Jim Sollmi said that they kind of did that but not formally when the Engineering Department got together with the Highway Department. He explained some more. He then said that he didn't know if this is too much or too little. Councilor Szeps said they would need to know this because they have to spend it in a twelve month period. He asked if this money could be used for salaries if the Town Staff can do this work. Town Manager Gilbert said no and Jim Sollmi said he didn't think so. Councilor Szeps confirmed that this money has to be used for just materials if they do it internally. Town Manager Gilbert said yes. Councilor Szeps said unless they hire this out that they will hire a vendor to do this and it will be just whatever the vendor is charging them. Jim Sollmi said right.

Mayor Vassel asked if any other Councilors had any questions. He then asked them if they had any questions on this entire page and he was told there is a motion on the table. Councilor MacDonald said he saw Kevin Morton in the back of Council Chambers now and he wanted to make sure that he understood with this motion that \$100,000 will be left in the salt account, as well as another \$75,000 will be put into that account. Councilor MacDonald confirmed that this would be in addition to whatever is in the shed now. He asked Kevin Morton given what he has today in the shed and the figure of \$175,000, if this would be enough salt to cover the storms they had this year. Mayor Vassel said he didn't believe that Kevin Morton is the Department Head for the Highway Department and he didn't want him to put words in that Department Head's mouth. Councilor MacDonald said he would take Kevin Morton's opinion. Town Manager Gilbert said they spent \$212,000 for salt this year. Kevin Morton asked Councilor MacDonald what he wanted to know. Councilor MacDonald explained again. Kevin Morton said if they went on a law of averages then it should be enough. Councilor MacDonald said he had watched the video of the Town Council meeting where this had been discussed but he wasn't present at that meeting. He told Mayor Vassel that Kevin Morton had indicated nine hundred tons. Councilor MacDonald told Kevin Morton that he had a working knowledge of how much salt they had used and of how much salt they have. Councilor MacDonald said he wouldn't support this motion if more salt was needed but he said he is fine with it if they feel this is enough salt. Kevin Morton said this is one of the unknowns but this will get them "in the ballpark". Councilor MacDonald said thank you.

Mayor Vassel asked the Councilors if they had any other questions, discussion or comments. The Councilors had none.

At this point, the motion was voted on.

Mayor Vassel asked Deputy Mayor Bell if she had any questions on this page and she didn't. Mayor Vassel asked if any other Councilors had any questions. Councilor Drapeau asked if it would be possible to get Lisa Zerio to the front of the Council Chambers at this time. Mayor Vassel asked what this was for and Councilor Drapeau said this was for him to talk about McVicar Field. Councilor Drapeau said he believes that he was at another meeting where someone was talking about a grant to pay for McVicar Field and he asked Lisa Zerio if she could expand on this. Lisa Zerio said that Ray Carpentino (Economic Development Director) submitted an application for a STEAP Grant on March 11, 2014. This would be for \$443,590 to replace the turf at McVicar Field. Lisa Zerio said she had asked Ray Carpentino when they would hear about whether they are getting this and it would be sometime in May 2014. Lisa Zerio said this would be a rolling grant and she thinks that the Town of Berlin just got one for their turf. Councilor Drapeau confirmed that Rocky Hill has applied for this grant but they haven't gotten it yet. Lisa Zerio said they haven't gotten it yet. Councilor Drapeau asked if the \$350,000 for this wouldn't be needed if they get this grant. Lisa Zerio said that is correct. Some Councilors said that the grant wouldn't cover the whole amount. Lisa Zerio said \$150,000 is set aside in Capital Improvements for this. Councilor Vargas asked how much would be needed. Lisa Zerio said \$500,000. Councilor MacDonald thought that \$500,000 would just be for the carpet at McVicar Field and he doesn't think that they would just do that with the track falling apart. Lisa Zerio said they would need \$300,000 for the track replacement. Councilor

MacDonald started to say that hopefully if they get the grant when Town Manager Gilbert started talking and she said that they just wouldn't want to do the track first. Lisa Zerio said there probably would be some cost savings if the turf for McVicar Field and the track replacement were done at the same time. The time to do both of these would be when school is out of session so that they aren't interfering with any Board of Education scholastic events. Town Manager Gilbert said the STEAP Grants haven't all been released at once by the Governor's Office the past few years but they have been released sporadically. This grant doesn't have set criteria to it. They are using the fact that the athletic events and soccer that goes on at this field enhance the businesses that are along the Silas Deane Highway. These events also bring people into the community who utilize Rocky Hill's businesses and restaurants. This is how they qualify to get this in as a STEAP Grant. Rocky Hill has unfortunately not received any STEAP Grants in the past two years but they had been receiving one every year until then. Rocky Hill has lost out on other projects like generators for the Town Hall, etc. She explained some more. Councilor Drapeau referred back to his question. He said they are going for \$443,000 in a grant. They don't know if Rocky Hill is going to get this but he said they are feeling pretty good about it. He asked how much is needed for McVicar field and for the track. Lisa Zerio said \$800,000 but \$150,000 has been put aside for the McVicar Field replacement. Councilor Drapeau said this will be \$650,000 for both net of the \$150,000. Lisa Zerio said correct. Councilor Drapeau asked if this is an all in number. He also mentioned to Lisa Zerio that she had indicated that they might get some savings if they did both of these together. Lisa Zerio said they would have to wait until they go to bid and they are hoping that they possibly would get a better deal. Councilor Drapeau was wondering if it is premature for them to ask for the \$350,000 if they don't know what they will get for a grant from STEAP. Councilor Vargas asked what the useful life is and she thought they had a few more years left for McVicar Field. Lisa Zerio said McVicar Field was opened in 2004 and it has always been said that the carpet for it would last ten to twelve years. She has come to the Town Council every year asking them to put \$25,000 to \$50,000 aside for this. McVicar Field was tested and it was safe for this season. She thinks they will get one more year out of it and her goal is to have this replaced in the summer of 2015. Councilor Drapeau said this would be the next fiscal budget. Lisa Zerio said yes and she said they would have to do this next summer. Councilor Drapeau said he had to think about this a little more before he made a motion.

Mayor Vassel asked if any other Councilors had any questions. Councilor Szeps said he had a couple Points of Information. They have another ten years to pay for the carpet at McVicar Field even though it had been installed in 2004. They will be replacing a carpet that they are still paying for and they will have to replace it again by the time they finish paying for it. He told the Councilors to keep this in mind and he told them that maybe they ought to be exploring another route for what is going on there. He said secondarily that this is something they need to pay attention to when they go to do this because there will be a lot of activity (construction wise) going on at the Rocky Hill High School in the next three to five years. He said maybe through the Government Operations Committee that they should take a long look as to exactly what they want to do with McVicar Field.

Mayor Vassel asked if any other Councilors had questions. No Councilors did. Mayor Vassel asked Councilor Drapeau if he was all set and he said he was okay. Mayor Vassel asked if anyone wanted to make a motion to move this page.

Councilor Casasanta made a motion to move page 122 (Capital Improvements) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

Mayor Vasel asked the Councilors if they wanted to take a break at this point.

Deputy Mayor Bell made a motion for a five minutes recess at 8:30 p.m. The motion was seconded by Councilor MacDonald and adopted unanimously by those present. Councilor Moriarty was absent.

Deputy Mayor Bell made a motion to come out of recess at 8:41 p.m. The motion was seconded by Councilor Vargas and adopted unanimously by those present. Councilor Moriarty was absent.

E. CONTINGENCY

Mayor Vasel referred to Pages 116 and 117 (Contingency/Reserve – Code #01900300) of the 2014-2015 Proposed Annual Budget Book. Mayor Vasel asked Finance Director Mehr if this is something he is handling and he said yes. Mayor Vasel asked the Councilors if they had any questions for Finance Director Mehr. Finance Director Mehr said contingency is a reserve account to cover unanticipated higher expenses in various budget lines. No cash is charged to this account. This is a budget transfer that is recommended by the Town Manager and the Finance Director. This is approved by the Town Council. Finance Director Mehr said the detail behind this gives some ideas of where the contingency money may go some day. He explained some more. Town Manager Gilbert said they used to have this in several contingency accounts but the Town Council had requested several years ago to have this combined into one.

Mayor Vasel asked the Councilors if they had any questions. Councilor Drapeau said just so they are on the record that he wanted to have a conversation with Finance Director Mehr. Councilor Drapeau told everyone that they have all seen the \$3,200,000 that has been accrued for but funds haven't been allocated to cover compensated absences. Finance Director Mehr said up to this point that this has been more "pay as you go". Councilor Drapeau said if five or six key employees left tomorrow and they would have to be paid their compensated absences that are due to them then this contingency would be in the red. He told the Councilors that he wanted to make sure that each one of them is aware of this. He told them that he wasn't saying they could do anything about this right now but he told them that they should probably think about this, this budget cycle and for future ones, of having hard conversations of how they are accruing this and what their accrued absence policy is.

Finance Director Mehr said they had been able to handle the retirements in past years but they had a number of unanticipated retirements this past year that had some of the big dollar amounts and he said this "woke" him up on this needing to be addressed. There are a lot of employees who have been with the Town for a long time and they have accumulated quite a bit of sick time with quite a good size payout. He said it would be wise to get some advance notice of two to three years so that they can budget appropriately and also build a reserve up to cover this. He

explained that this is getting to its peak and this is starting to drop down because most of the union contracts, except for one or two of them, have pretty much eliminated the sick time payout.

Councilor Drapeau said that if anyone looks at this public document in detail that they will see there are certain individuals who have thousands of hours for sick time accrued . He said they don't have names on this. He said this indicates to him that these people are either not getting sick "miraculously" so they are "super people" or that the Town Hall is not properly managing the sick policy. He mentioned that he didn't want to accuse anybody but he said this is a "very fishy" report.

Finance Director Mehr referred to one of the strategies. The Town does provide long term disability after six months so he said that employees should have at least one hundred and eighty days "in the bank" in order to cover them if something happens to them. Councilor Drapeau said that is the ultimate goal but he said when they are getting into thousands of hours that it is a little crazy. Finance Director Mehr said this plan probably was put in place twenty years ago as a way of retaining employees. There are a lot of good benefits available to people who stayed.

Mayor Vasel asked if any other Councilors had questions. Councilor MacDonald thanked Finance Director Mehr and told him that he had asked for a lot of information. Councilor MacDonald told Finance Director Mehr that what he provided was very helpful and he thinks it will be helpful for future Town Councils. Councilor MacDonald said it is very disturbing when they basically have an unfunded liability of \$3,200,000 on their books that seems to be growing every year. He said that one of the items that would be on the top of his list for any negotiations with any unions would be to make sure that they start capping. They have done this in some of the contracts and he mentioned about if they have contracts coming up. He said that he isn't questioning the validity of this report because he always assumes positive intent. He thinks the Town has some employees who are very dedicated but it is unfortunate though about the plan design that they had ended up where they are today. He said this is a huge number and he mentioned for them to make sure that they cap all of the contracts going forward like the Board of Education. When other Towns are looked at, he said that they are multiples of what the surrounding Towns are for the unfunded liability.

Mayor Vasel asked if any other Councilors had questions. Deputy Mayor Bell said there is a reserve on a Worker's Compensation settlement for this current year. She asked for this to be explained to her as to how it works. Finance Director Mehr thinks that Worker's Compensation generally covers 70% of someone's salary and the Town has to make 30% up. Town Manager Gilbert said to eliminate this that they have started to put into the union contracts that an employee will only receive 70% of the base salary after so many weeks. This way, this will be covered by Worker's Compensation and the Town won't end up having to do this again. Deputy Mayor Bell asked where they are on the actual for this, for this year, and she asked if they have used it. Finance Director Mehr said they will be using it because this person has since retired. Deputy Mayor Bell asked if all \$50,000 of this will be used. Finance Director Mehr said yes. Deputy Mayor Bell said an employee is not required to use their own sick time in the case of a Worker's Compensation settlement. Town Manager Gilbert said that is right. This employee

has retired and he has to resolve the Worker's Compensation with the insurance company on their end.

Mayor Vasel asked if any other Councilors had any questions. No Councilors did.

Councilor Vargas made a motion to move page 116 (Contingency) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

F. INSURANCE

Mayor Vasel referred to Pages 114 and 115 (Property & Liability – Code #01900200) of the 2014-2015 Proposed Annual Budget Book. Finance Director Mehr said the Town has the bulk of its Worker's Compensation Insurance and its Property Casualty with CIRMA. The Insurance Committee agreed to a three year agreement for these policies with CIRMA. He believes that there is a 3% increase per year for non-Worker's Compensation and maybe a 5% increase for Worker's Compensation. They are on their third year with CIRMA. They do receive a dividend back from CIRMA based on their claim history. This is based on the Town's payouts. He believes they did receive one but he said that the number escaped him as to what the dollar amount was. He thinks this was around \$60,000 though. The Town gets retro-reviewed because it has been a client of theirs for more than two or three years. They get part of their claim premiums backed and this is based on their claim payout history. Councilor Drapeau asked Finance Director Mehr if he had a claim ratio and he said this is usually .8 or .9. Finance Director Mehr said he didn't know. Town Manager Gilbert said she serves on CIRMA's Board of Directors so she would find this out.

Councilor Drapeau asked Finance Director Mehr if he could explain to him about MIRMA. Finance Director Mehr said the Town always had its Worker's Compensation with the Hartford about seven or eight years ago because they provided heart and hypertension coverage. The Town looked for other ways after the Hartford had raised its rates and dropped the heart and hypertension coverage. MIRMA was supposed to be similar to CIRMA and it was made up of a number of small Towns. In the beginning, Rocky Hill was probably one of the larger Towns. This had worked out fine but one of the small Towns had a major claim and this sort of threw MIRMA off. MIRMA is in runoff based on the State insurance company telling it this. He explained more about this. Councilor Drapeau told Finance Director Mehr that he knew exactly what he was talking about. Town Manager Gilbert said MIRMA has sold all of its remaining contingency losses and they will be going out of business after this year. She gave more details. CIRMA was the only other "game" in Town she said at the time when they went with MIRMA. MIRMA had been formed by a group of municipalities as an insurance risk pool. This was reasonable but two major injuries did them in and Town Manager Gilbert explained more about those. Councilor Drapeau asked if they have thought about going out on their own and exiting from the consortium and he asked if there are available vendors out there to provide this coverage. Finance Director Mehr asked Councilor Drapeau if he was talking about CIRMA and he said MIRMA. Town Manager Gilbert said MIRMA is gone and they have been with CIRMA that has been in existence for twenty plus years. Councilor Drapeau asked if that also is a consortium with multi-Towns. Town Manager Gilbert said it is and she said it is also a

subsidiary of CCM. Councilor Drapeau asked if they have thought about comparing this to going out on their own versus the consortium. Finance Director Mehr asked Councilor Drapeau if he meant self-insured and he then said that there weren't many players in the insurance market the past few years. Councilor Drapeau said he agreed and he said this is why he was asking this. Finance Director Mehr said it was pretty much CIRMA or Trident and he thinks that Travelers is just getting back into this but they are reluctant to insure Police Departments or schools. He said that Travelers would do Property but not Worker's Compensation. Councilor Drapeau urged them to strongly move away from a consortium to set up because he would be very reluctant in taking on the lives of other Town's employees. He said that they aren't controlling the habits of those employees as to what their internal protocols are or what they are doing on the roads, etc. He is a very big proponent of keeping their own people procedurally under their own insurance policy and he said that they can bid on their own competitively. Town Manager Gilbert said this is controlled by the Insurance Committee and not by the Town. The Insurance Committee is an autonomous one. It is made up of two representatives from one Party and one from another Party. The Insurance Committee is who chose this and who set the insurance, etc. Finance Director Mehr said CIRMA is very large and it has a number of Towns. MIRMA was very small. Councilor Drapeau said he agreed but he mentioned how all of their rates will go up if there is one catastrophic accident in Cromwell for example. Finance Director Mehr said that a lot of the insurance companies this Town had in the past are no longer around. He mentioned some of these and he explained some more.

Councilor Vargas referred to the MIRMA assessment. She asked why this was \$65,000 when it was requested and why they are recommending \$161,000. Finance Director Mehr said they got better data. Councilor Vargas asked if the amount of \$161,000 will do it next year. Finance Director Mehr said they hope so. He said this amount had been going down and this is the first time that it jumped back up. He isn't sure if they picked up Property Casualty as well.

Councilor Drapeau asked if they should have a dialogue with the Insurance Committee about his concerns. Finance Director Mehr said this Committee is sort of new and he told Councilor Drapeau he could attend its meetings if he would like to. They meet at 4:00 p.m. Councilor Drapeau asked them to let him know when there will be a meeting for the Insurance Committee.

Mayor Vassel asked if any other Councilors had questions. No Councilors did. Mayor Vassel asked for a motion to move this page.

Councilor Drapeau made a motion to move page 114 (Insurance) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

G. EMPLOYEE BENEFITS

Mayor Vassel referred to Pages 112 and 113 (Employee Benefits – Code #01900100) of the 2014-2015 Proposed Annual Budget Book. Councilor Drapeau asked when these contracts are negotiated or he asked if these are union deals. Finance Director Mehr asked Councilor Drapeau if he was talking about the health insurance and he said yes. Finance Director Mehr said in the union contracts, it states that health insurance must be provided which is similar to Anthem or an

equivalent. This is generally bid every year and Anthem comes in as the best available to the Town. Councilor Drapeau said they have a bunch of unions and he asked if each of the contracts is negotiated separately or he asked if this is just one for all of them. Finance Director Mehr said that each union is negotiated separately and they all have the same health insurance plan across the board. They all get the same \$20,000 Group Life Insurance and they all get long term disability except for the Police. It is all standardized. Councilor Drapeau asked about co-pays, etc. and he asked if they are all on the same platform. Finance Director Mehr said yes. Councilor Drapeau asked if this was by design or just because they got lucky. Town Manager Gilbert said this was by design and they have worked at doing this over the past five to ten years. Councilor Drapeau said this makes negotiations easy. Finance Director Mehr said the co-pay was increased a few years ago to \$15. Town Manager Gilbert said they increase the premium share every time they go out. Councilor Drapeau asked what the individual contribution is to an annual health insurance coverage versus the Town. He said this would be Town versus employee. Finance Director Mehr said it probably would be between 10% and 12% for employees and 88% for the Town. He said this is just for the health insurance and dental. Councilor Drapeau asked if the Town pays 100% of Group Life. Finance Director Mehr said yes and also disability. Councilor Drapeau asked if this is based on one time or two time salary. Finance Director Mehr said the disability is 60%. Councilor Drapeau asked what Life is and Finance Director Mehr said that is \$20,000. Councilor Drapeau asked if this is \$20,000 flat. Finance Director Mehr said yes and he said that the only time that this is 1.5 of the salary is if there is Life Insurance in the Pension Plan and he explained more about this. He said this is the same with the Group Life, as well as the long term disability. Employees don't get the life insurance once they retire and go on the pension. The same is true with regards to the long term disability and the group life. Councilor Drapeau asked if the Town covers 100% of that charge. Finance Director Mehr said yes.

Councilor Szeps referred to the Employee Pension (#01900100 5230) amount and he asked how this is calculated. Finance Director Mehr said they have had two defined benefit plans for years. These are for the general employees and for the Police. These get reviewed every two years actuarially. They give the Town a recommended contribution to be made to the pension plans for the next two years. The defined benefit plan has been eliminated for some of the newer contracts and they are going to a defined contribution plan, which has the employee putting 6% in and the Town matches half of this (3%). Councilor Drapeau asked if there is a cap on the 3% or he asked if this is just in perpetuity. Finance Director Mehr said this is in perpetuity now. This has just started and they had their first employee joining it. This is a work in process. Mayor Vassel asked if any other Councilors had any questions. Councilor Casasanta referred to the health insurance plan and she asked Finance Director Mehr if there has ever been any discussion about them going to a health savings account. Finance Director Mehr thinks this had been a hot topic a few years ago but the whole thing is for them to get an employee interested in signing up for this because they will have to spend money to get to the cap. He explained more and he said that he hasn't heard much spoken about this since then. He said that he didn't know if Town Manager Gilbert knew more. Town Manager Gilbert said a lot of municipalities had started going towards this. Those municipalities were funding a portion of the health savings account in order to entice the employees. Those municipalities found out that this type of health insurance has gone up exponentially large enough that they are losing their savings so they are trying to negotiate a way of putting any contribution into the health insurance account. Rocky

Hill had this in their contracts for a while but no one wanted it. Councilor Casasanta said thank you. Finance Director Mehr said that he thinks the Board of Education offers this and one person took it.

Mayor Vasel asked if any other Councilors had any questions. Councilor MacDonald referred to Group Insurance (#01900100 5210) and he mentioned how he had developed a recommendation three years ago to merge the Town's health plan and the Board of Education's health plan together. He asked what has happened in the three years to try to bring these together. He has spoken to several people and to several brokers. He said that they could be saving upwards of \$1,000,000 per year on their total cost. Town Manager Gilbert said she has spoken with Superintendent Dr. Mark Zito with regards to having a Committee put together and for them to have a meeting. Town Manager Gilbert said Superintendent Dr. Zito has asked her to wait until the Board of Education has a permanent Finance Director or an Assistant Superintendent for Financial Affairs. Discussions would then begin. Town Manager Gilbert said that her successor will probably be beginning the discussions with Superintendent Dr. Zito. Town Manager Gilbert said that she and Superintendent Dr. Zito have met on several occasions but they haven't moved forward since the changing of the Finance Director. Councilor MacDonald said it is really disappointing for this thing to be sitting out there for three years and he mentioned how Superintendent Dr. Zito hasn't been in Rocky Hill for three years. Councilor MacDonald said for a taxpayer that this is a very disturbing thing because there are two plans that could be merged. The Town could be saving a ton of money on this and no action has really been taken.

Councilor MacDonald then said that one of the items they have is \$108,000 for reimbursing employees if they don't take the health insurance. He asked what an employee of Rocky Hill is reimbursed if they don't take the health insurance. Finance Director Mehr said generally an employee will pay half of the premium for whatever insurance plan they are taking. Town Manager Gilbert said this has been in place for a long time. The Town was trying to save money on health insurance by having the employees who have other means of getting it not take the Town's just for the sake of taking it. Councilor MacDonald asked what the Town's most expensive plan is and if it is \$20,000 or \$24,000. Finance Director Mehr said it is probably around \$2,200 a month for a family. Councilor MacDonald said if an employee was to opt out of the plan then a financial reward of \$12,000 would be provided to that employee. Town Manager Gilbert said no and she said this has been frozen at the 2008 rate. Councilor MacDonald asked what the max is of the 2008 rate. Finance Director Mehr said \$10,800. Councilor MacDonald confirmed this amount and Finance Director Mehr said yes if this is for a family. Councilor MacDonald said this is "so out of whack" and he said typically that maybe they see up to \$1,000. He explained that the whole premise is that he would be paid the \$10,000 if his wife has insurance for example and he wants to be under hers. He said that the reward here is that he won't take the Town's insurance and he said that he would never take the insurance of the Town because then he would have to pay the 10% or 20% co-share. He mentioned that these numbers are "so far out of whack" again. He can't believe that the employees are being paid \$10,000 to opt out. He mentioned that this is atypical and it is totally out of the ordinary. He then asked if the language for this is in the union contracts. Finance Director Mehr said this is in the Personnel Rules and the union contracts but this benefit ends in a lot of the union contracts if someone is hired after a certain date. He said this is a "dying benefit". Councilor MacDonald said in his opinion that the benefits are "so far out of whack" in other areas compared to other

municipalities, etc. He encouraged that they really have to bring this down if there are any new contracts coming up. He knew that this amount was \$10,000 but he told Finance Director Mehr that he had him walk through that exercise to see if the amount had gone up. Councilor MacDonald said taxpayers are asking how it can be that employees who don't want the Town's insurance are getting paid \$10,000.

Councilor MacDonald referred to the Employee Pension (#01900100 5230) and he asked what the funding percentage is of their pension liability. He asked for just a rough estimate. Finance Director Mehr said this is around 80%. The assets have grown \$7,000,000 this year and the total assets are close to \$55,000,000 or \$56,000,000. Councilor MacDonald noticed that this is broken out between the general employee, the RHFD and the RHPD. He asked if they have a policy as far as where they want to get at for a funding percentage for each of these because some of the pension plans are different. He asked if their goal is to be funded 100%. Finance Director Mehr said that he thinks that is always a good goal to strive for but they are dealing with investments in the equity markets so they are at the mercy of the markets. The Town's assets are looking good he said because they are going up but their liabilities are going up just as fast. Their plan was going down in 2008 and 2009 because the equity market tanked. He thinks this is a reflection of how the overall market is doing and they sort of mirror that as well he said. The key thing is that Rocky Hill has to continue making its actuarial recommended contribution as well. He explained some more. Town Manager Gilbert said they are also making up for approximately ten years ago when they didn't make their recommended actuarial contributions for two years and they made about 50% of it.

Councilor Drapeau referred to the investment side and he asked if they have a custodian who is helping them pick investments for their pension fund. He also asked if the Town has a Committee that is set up to work with the custodian to handle the investment choices. He also asked if they are reporting what they are doing to people who are privy to the pension fund. Finance Director Mehr said that the Town has been with Hartford Insurance since day one. Hartford Insurance sold its business to Mass Mutual so that is who the Town is with now. Mass Mutual holds all of the Town's plan assets and they also pay the claims that are associated with the pension payouts. The Town uses USI, which is the actuarial and they also have a Financial Advisor Group. USI reviews all of the municipal funds that are offered by Mass Mutual every six months. USI makes recommendations as to which ones Rocky Hill should be invested into. He explained some more. He mentioned that it has basically been him and Town Manager Gilbert who would look at this to pick out which ones they would invest in. Councilor Drapeau thought this was a prudent conversation because it is the employees' retirement fund. He confirmed that the custodian from USI is meeting every six months with Town Manager Gilbert and Finance Director Mehr to make recommendations about the asset classification. Finance Director Mehr said USI talks about the economy, etc. and they produce a report. Councilor Drapeau asked if a cross section of employees have ever been invited into these meetings so they can see where the company assets are going, etc. Finance Director Mehr said no. Councilor Drapeau referred to the recommendations that USI is making and he said that his concern is that they are making recommendations which are based on the view that they see. He knows there are other custodians out there who have "very robust" individuals in their shops and they also have access to "very robust" investment interests. There are other shops out there that have a limited view and they get a fee to offer a group of investments. He explained more and told

them that they could be a lot happier maybe if they put this out to bid every once in a while. Finance Director Mehr said this Town is very passive and they generally make two investments per year. This is usually after the tax revenues come in and they look at cash flow basically. They don't make their second investment a lot of times until later in the year so that they can see how they are doing, etc. He explained some more.

Councilor MacDonald referred to the OPEB contribution of \$150,000 and he asked Finance Director Mehr how he came up with that amount because they have a \$15,000,000 unfunded liability roughly. Finance Director Mehr said that was developed six or seven years ago by a GASBE recommendation. This put actuarials to a work plan. He said they were paying out these health insurance benefits to retirees all of a sudden who had qualified for this based on their union contract. This was "pay as you go" and he gave more details. The Town set up an OPEB Trust and proceeds were used from the settlement with CRRA that was associated with the Enron situation, which he explained more about. This was their seed money to start this. The Town then put in \$50,000, \$100,000 and \$150,000. He explained that it is very difficult to get to this number because it is not like an employee is vested after five years like they are in the pension and then they leave and call up the Town at the age of 62 years old to say that they would like to start their pension. He said an employee will not get this health benefit if they leave the Town. Councilor MacDonald said his only point was that this Town has a workforce that is aging and they are atypical in their curve as to when the employees will be retiring. He said this can't be applied to some Town where this is the reverse of this and he told Finance Director Mehr that he would grant him that. Councilor MacDonald said he gets nervous that they aren't funding this enough when he looks at what the expected benefit payments are versus what they are funding actually. He referred to the \$150,000 again. Finance Director Mehr said that is a start and he said hopefully that will grow over time. He asked Councilor MacDonald if he felt like making a recommendation. Councilor MacDonald said he just wanted to understand why this is \$150,000 and not \$100,000 or \$200,000 for example. Finance Director Mehr mentioned again how this had started at \$50,000 and then it went up to \$100,000. He thinks this has been \$150,000 for the last two years and it will be growing. Councilor MacDonald said that is fine. Councilor Drapeau said this is going to be a question for the auditors, who look at the actuarial report and then they run this calculation with their actuaries.

Mayor Vassel asked the Councilors if they were all set. Councilor MacDonald said they were good. Mayor Vassel asked if any other Councilors had any questions. No Councilors did. Mayor Vassel asked if there was a motion to move the page.

Deputy Mayor Bell made a motion to move page 112 (Employee Benefits) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

H. DEBT SERVICE

Mayor Vassel referred to Pages 106 and 107 (Principal Payments – Code #01700100) of the 2014-2015 Proposed Annual Budget Book. Finance Director Mehr said the Town has two outstanding bonds. Next year's payment of \$1,570,000 will be for both of these.

Mayor Vasel asked the Councilors if they had any questions for Finance Director Mehr. The Councilors had none.

Deputy Mayor Bell made a motion to move page 106 (Debt Service) of the budget book. The motion was seconded by Councilor Vargas and adopted unanimously by those present. Councilor Moriarty was absent.

I. INTEREST

Mayor Vasel referred to Pages 108 and 109 (Interest Payments – Code #01700200) of the 2014-2015 Proposed Annual Budget Book. Finance Director Mehr said the larger dollar amounts are the interest they are paying on the long term bonds. They are starting to spend money on their referendum projects so they are starting to go out with BANS. They have \$4,100,000 currently that will be maturing on May 15, 2014. They are doing a BAN sale tomorrow that will be for \$8,100,000 hopefully. This will be used to cover the costs that are associated with the Land Acquisition proposal, the Rocky Hill High School project and for \$4,000,000 of the road referendum. He said the additional interest is associated with the BANS and they will hopefully come in less than 1%.

Mayor Vasel asked the Councilors if any of them had any questions for Finance Director Mehr. Councilor MacDonald referred to the process they went through with regards to refunding the bonds and he asked what they had used the premium for. He said the delta must have been \$500,000 or \$600,000. Finance Director Mehr said this was \$800,000+. They took approximately \$400,000 of this last year. He thinks they will be taking \$40,000 for the next ten years. Councilor MacDonald confirmed that they took half last year and then they will take half for the next ten years. Finance Director Mehr said yes and this is why they see the principle payment going up. Town Manager Gilbert said they took the bulk of the \$400,000 and used it for the one-time expense of the Police Microwave System. Councilor MacDonald said thank you.

Councilor Casasanta made a motion to move page 108 (Interest) of the budget book. The motion was seconded by Councilor Szeps and adopted unanimously by those present. Councilor Moriarty was absent.

Mayor Vasel asked for a motion to adjourn at this point.

VII. ADJOURNMENT

Deputy Mayor Bell moved to adjourn. The motion was seconded by Councilor Vargas and adopted unanimously by those present. Councilor Moriarty was absent.

As there was no further discussion, the budget workshop was adjourned at 9:32 p.m.

Respectfully submitted,

Jessica M. Dumas

Clerk of the Council